



SPECIFICATIONS

**CAMP VILLERE
NEW HOME CONSTRUCTION**

at

CAMP VILLERE, LOUISIANA

For

**STATE OF LOUISIANA
MILITARY DEPARTMENT**

**MAJOR GENERAL GLENN H. CURTIS
THE ADJUTANT GENERAL**

CONSTRUCTION AND FACILITIES MANAGEMENT OFFICE

2014

BIDDING REQUIREMENTS

DAMMON ENGINEERING, INC.
554 OLD SPANISH TRAIL
SLIDELL, LOUISIANA 70458
Phone: 985-649-5832
Fax: 985-641-5950
Dammonengineering.com



PUBLIC NOTICE

Sealed Bids for **CAMP VILLERE NEW HOME CONSTRUCTION**, Camp Villere 34845 Grantham College Rd., Slidell, LA 70460 will be received at Building #402 (Dining Facility), Camp Villere 34845 Grantham College Rd., Slidell, LA 70460, until **9:00 a.m. CST on Wednesday, January 20, 2016**, and immediately opened thereafter.

Complete Bidding Documents for this project, including Plans and Specifications have been prepared by Dammon Engineering Inc. These plans and specifications are available through the listed contact for a plans and specifications deposit of \$200.00 from **Damon Engineering Inc.** Deposit on the first two set is fully refundable to all bonafide prime Bidders upon return of the documents, in good condition, no later than ten (10) days after receipt of bids. **Fifty percent of** the deposit of all other sets of documents will be refunded upon return of documents as stated above. Printed copies are available for **viewing only** from the Designer at the Designers place of business, address listed below. Plans and Specifications are also available in electronic form online and may be obtained without charge and without deposit from Dammon Engineering Inc. Plan holders are responsible for their own printing reproduction cost. Questions about the electronic procedure or viewing shall be directed to **Dammon Engineering Inc. Inc., 554 Old Spanish Trail, Slidell, Louisiana 70458. Phone (985) 649-5832. Attention: Chuck Dammon, Project Manager. E-Mail Address: Chuck@dammonengineering.com.**

The successful Bidder shall be required to furnish a Performance and Payment Bond written as described in the Instructions to Bidders included in the Bid Documents for this project.

A mandatory pre-bid conference is scheduled for **9:00 a.m. CST on Wednesday, January 6, 2016 at Building #402 (Dining Facility), Camp Villere 34845 Grantham College Rd., Slidell, LA 70460. Attendance at this Conference is mandatory.** Prospective bidders must attend the pre-bid conference in order to submit a bid. The Jackson Barracks Point of Contact is Chief Master Sergeant (Retired) James E. Downing Sr. Email: james.e.downing10.nfg@mail.mil. Phone contacts: Office: 504-278-8798, Mobile: 985-215-5915.

BIDS SHALL BE ACCEPTED ONLY FROM CONTRACTORS THAT ATTEND THE ENTIRE MANDATORY PRE-BID CONFERENCE.

ANY PERSON REQUIRING SPECIAL ACCOMMODATIONS SHALL NOTIFY **CMSGT JAMES E. DOWNING SR** OF THE TYPE(S) OF ACCOMMODATION REQUIRED NOT LESS THAN FIVE (5) DAYS BEFORE THE MANDATORY PRE-BID CONFERENCE.

Bids shall be accepted from Contractors who are licensed under LA. R.S. 37:2150-2192 for the classification of **BUILDING CONSTRUCTION**. Bidder is required to comply with provisions and requirements of LA R.S. 38:2212(A)(1)(c). No bid may be withdrawn for a period of forty-five (45) days after receipt of bids, except under the provisions of LA. R.S. 38:2214.

Electronic Bid documents may be submitted by Contractors to the Louisiana Military Department Contracting Office by submitting their bid to <http://www.centralauctionhouse.com/>. Electronic bids must be submitted so as to be posted prior to **9:00 a.m. CST on Wednesday, January 20, 2016**. Hard copies of the contractor's electronically submitted bid packet must be delivered as described in the Instructions to Bidders included in the Bid Documents for this project. Contractors MUST attend the mandatory Pre-Bid scheduled for **9:00 a.m. CST on Wednesday, January 6, 2016**, at the location listed above in order to submit electronic bids.

The Owner reserves the right to accept or reject any and all Bids for just cause. In accordance with directives and guidance published by Facility Planning and Control Revised Statutes, the provisions and requirements of those stated in the advertisement for bids and those required on the bid form shall not be waived. The Louisiana Military Department Deputy Director for Contracting and Purchasing and the State Contracting Officer do not possess authority to waive any informality incidental thereto. The Owner shall incur no obligation to the Contractor until the Contract between Owner and Contractor is fully executed.

INSTRUCTIONS TO BIDDERS

COMPLETION TIME:

The Bidder shall agree to fully complete the contract within (120) consecutive calendar days, subject to such extensions as may be granted under Paragraph 1B-15, in the General Conditions and the Supplementary Conditions, and acknowledges that this construction time will start on or before the date specified in the written "Notice to Proceed" from the Owner.

LIQUIDATED DAMAGES:

The Bidder shall agree to pay as Liquidated Damages the amount of One Hundred Seventy Five Dollars (\$175.00) for each consecutive calendar day for which the work is not complete, beginning with the first day beyond the contract completion date stated on the "Notice to Proceed" or as amended by change order.

ARTICLE 1

GENERAL: DEFINITIONS

1.1 The following documents/ forms, more commonly referred to as the Louisiana Military Department Front End Documents, found in this Specification Booklet are provided to aid and or assist the Contractor in the preparing of their Bidding Documents:

- a. Specification Cover Sheet
- b. Advertisement for Bid
- c. Instructions to Bidders
- d. Louisiana Uniform Public Work Bid Form
- e. Bid Bond
- f. Sample Louisiana Uniform Public Work Bid Forms
- g. Sample Contract Between Owner and Contractor and Performance and Payment Bond
- h. Affidavit for Contract
- i. Affidavit for E-verify
- j. Affidavit for Attestation
- k. Contractor Certification and Disclosure Form
- l. Indemnification Agreement
- m. Change Order Request Forms and Sample Change Order
- n. General Conditions issued by the Louisiana Military Department
- o. Insurance Coverage for Louisiana Military Department Projects
- p. Technical Specifications and /or Scope of Work
- q. Any Addenda issued during the Bid period to be acknowledged on the Louisiana Uniform Public Work Bid Form

1.2 Unless otherwise defined herein, all definitions set forth in the General Conditions of the Contract for Construction or in other Contract Documents are applicable to the Bidding Documents.

- 1.3 Addenda are written or graphic instruments issued by the Architect prior to the opening of bids which modify or interpret the Bidding Documents or forms by additions, deletions, clarifications, corrections and prior approvals.
- 1.4 A Bid is a complete and properly signed proposal to perform work or a designated portion for a stipulated sum. A bid is submitted in accordance with the bidding documents, is evaluated on price alone and is not subject to qualification.
- 1.5 Base Bid is the amount of money stated in the bid as the sum for which the bidder offers to perform the work described in the bidding documents, prior to the adjustments for alternate bids but including any unit prices.
- 1.6 An Alternate is a specified item of construction that is set apart by a separate sum. An alternate may or may not be incorporated into the contract sum at the discretion of the Owner at the time of contract award. A maximum of (3) three alternates are allowed by State law and, if alternates are to be accepted and added to the base bid total, they must be taken in order of priority.
- 1.7 A Bidder is an entity or person who submits a bid for a prime Contract with the Owner. A bidder is not a contractor on a specific project until a contract is signed between the bidder and the Owner.
- 1.8 A Sub-bidder is one who submits a bid to a Bidder for materials and/or labor for a portion of the work.
- 1.9 Where the word "Architect" is used in any of the documents, it shall refer to the Prime Designer of the project, an Architect, Engineer or Landscape Architect.

ARTICLE 2

BIDDER'S REPRESENTATION

- 2.1 Each Bidder by making his bid represents that:
- 2.1.1 He has read and understands the Bidding and Construction Documents and that his bid is made in accordance therewith.
- 2.1.2 He has visited the site and has familiarized himself with the local conditions under which the work is to be performed.
- 2.1.3 His bid is based solely upon materials, systems and equipment described or listed in the Bidding/ Construction Documents as advertised and/ or as modified by addenda. Labor, overhead and profit, taxes, bonds and insurance costs are added to these costs and constitutes his bid.

2.1.4 His bid is not based on any verbal instructions contrary to the Contract Documents and addenda.

2.1 The Bidder must be fully qualified under any State or local licensing law for Contractors in effect at the time and at the location of the work before submitting his bid. In the State of Louisiana, Revised Statutes 37:2150-2164, et seq. will be considered, if applicable. The Contractor shall be responsible for determining that all of his Sub bidders or prospective Subcontractors are duly licensed in accordance with the law.

ARTICLE 3

BIDDING DOCUMENTS

3.1 Copies

3.1.1 Bidding and Construction Documents may be obtained from the Architect for a deposit as stated in the Advertisement for Bids. The deposit will be refunded to Contractors who return the Documents to the Architect, provided they are returned in satisfactory condition.

3.1.2 Complete sets of Bidding and Construction Documents are required in order to prepare a bid. Neither the Owner nor the Architect assumes any responsibility for errors or misinterpretations resulting from the use of incomplete sets of these Documents.

3.1.3 The Owner or Architect in making copies of the Bidding and Construction Documents available, do so only for the purpose of obtaining bids on the work and not grant copies for any other use or purpose.

3.2 Interpretation or Correction of Bidding and Construction Documents

3.2.1 Bidders shall promptly notify the Architect of any ambiguity, inconsistency or error which they may discover upon examination of the Bidding and Construction Documents or of problems affecting the site and local conditions.

3.2.2 Bidders requiring clarification or interpretation of the Bidding and Construction Documents will make a written request to the Architect. Request must be received no later than 48 hours after the Pre-Bid Meeting in order to answer the Request and submit the Addenda so it can be received 72 hours prior to receipt of bids, excluding holidays and weekends.

3.2.3 Any interpretation, correction or change of the Bidding and Construction Documents will be made by addenda. Interpretations, corrections or changes made to the Documents in any other manner will not be binding, and Bidders shall not rely upon such interpretations, corrections and changes.

3.2.4 It is the Louisiana Military Department's intent that these bidding documents shall comply with the Public Works Act and any other relevant State law. To the extent that a provision of these bidding documents actually conflict with State law, the provisions of State law shall take precedence over the bidding documents.

3.3 Substitutions

3.3.1 The materials, products and equipment described in the Bidding and Construction Documents establish a standard of required function, dimension, appearance and quality to be met by any proposed substitution. No substitutions shall be allowed after bidding.

3.3.2 No substitution will be considered unless a written request for approval has been submitted by the bidder and has been received by the Architect at least 48 hours prior to the date for receipt of bids. Each such request shall include the name of the material or equipment for which it is to be substituted and a complete description of the proposed substitute including model numbers, drawings, cuts, performance and test data and any other information necessary for an evaluation. A statement setting forth any changes in other materials, equipment or work that incorporation of the substitute would require shall be included. It shall be the responsibility of the bidder to include in his bid all changes required of the Contract Documents if the proposed product is used. Prior approval is given contingent upon supplier being responsible for any costs which may be necessary to modify the space or facilities needed to accommodate the materials and equipment approved.

3.3.3 If the Architect approves any proposed substitution, such approval will be set forth in an addenda. Bidders shall not rely upon approvals made in any other manner.

3.4 Addenda

3.4.1 Addenda will be sent via FAX or delivered to all who are known by the Architect to have received a complete set of Bidding and Construction Documents.

3.4.2 Copies of addenda will be made available for inspection wherever Bidding Documents are on file for that purpose.

3.4.3 Addenda shall not be issued within a period of seventy-two (72) hours prior to the advertised time for the opening of bids, excluding Saturdays, Sundays, and any other legal holidays; however, if the necessity arises to issue an addendum modifying plans and specifications within the seventy-two (72) hour period prior to the advertised time for the opening of bids, then the opening of bids shall be extended a minimum of one week, without the requirement of readvertising.

3.4.4 The Owner shall have the right to extend the bid opening date, up to thirty (30) days, without the requirement for re-advertisement. Any such extension shall be made by addenda issued by the Architect.

3.4.5 Each Bidder shall acknowledge every Addendum received from the Architect on the project by annotating each Addenda numerically on the Louisiana Uniform Public Work Bid Form being submitted by the Bidder at the bid opening.

ARTICLE 4

BIDDING PROCEDURE

4.1 Form and Style of Bids

4.1.1 Bids shall be submitted on the forms provided in this Specification Booklet or by addenda.

4.1.2 **All blanks on the Louisiana Uniform Public Work Bid Form shall be filled in by typewriter or manually in ink. (SEE Sample Louisiana Uniform Public Work Bid Forms).**

4.1.3 Where so indicated by the makeup of the Louisiana Uniform Public Work Bid Form, sums shall be expressed in both words and figures; **in case of discrepancy between the two, the written words shall govern.**

4.1.4 Based on the Louisiana Supreme Court decision, the Military Department Contracting Officer cannot waive informalities. Therefore, **NO interlineations, alterations or erasures are authorized on the Louisiana Uniform Public Work Bid Form.**

4.1.5 Bidders are cautioned to complete all alternates should such be required in the Louisiana Uniform Public Work Bid Form. Failure to submit alternate prices will render the bid incomplete and shall cause its rejection. **Bidders are cautioned to complete all unit prices should such be required in the Bid Form.**

4.1.6 Bidder shall make no additional stipulations on the Louisiana Uniform Public Work Bid Form nor qualify his bid in any other manner.

4.1.7 The bid submitted by a Contractor shall include the legal name of the Bidder and a statement as to whether the Bidder is a sole proprietor, a partnership, a partnership in commendam, a limited liability company, a corporation or any other legal entity. The Bidder's name and contracting license number shall be noted on the envelope and shall be identical to the name and license number used on the Louisiana Uniform Public Work Bid Form. The bid shall be signed either by (a) any one of the Bidder's corporate officers or members listed on the most current annual report, limited liability company records or partnership records on file with the Secretary of State, or (b) an agent or other authorized representative of the Bidder, i.e., a person legally authorized to bind the Bidder to a Contract. If the bid is signed by an agent or other authorized representative of the Bidder, the authority of the person signing the bid shall be deemed sufficient and acceptable if (1)

the bid is accompanied by a notarized or authentic Power of Attorney, Corporate Resolution, Certification of Agent, or other similar document indicating the signatory's authority to bind the Bidder, or (2) a notarized affidavit or resolution or any other acknowledged or authentic document indicating the names of all persons authorized to submit bids for public contracts on behalf of the Bidder has been filed in the appropriate records of either the Secretary of State or the Clerk of Court of the parish in which the Louisiana Military Department is located. Said document shall remain in effect and shall be binding upon the Bidder until specifically rescinded and canceled from the records of the Secretary of State's office and/or Clerk of Court's office.

If the successful Bidder is either a partnership or a partnership in commendam, then, prior to signing any contract, the successful Bidder shall be required to submit a copy of its current partnership records on file with the Secretary of State, an executed Disclosure of Ownership and a Certificate of Authority to do business in Louisiana. If the successful Bidder is a limited liability company, then, prior to signing any contract, the successful Bidder shall be required to submit a copy of its current Articles of Organization on file with the Secretary of State, an executed Disclosure of Ownership and a Certificate of Authority to do business in Louisiana. If the successful Bidder is a corporation, then, prior to signing any contract, the successful Bidder shall be required to submit a copy of its current Articles of Incorporation on file with the Secretary of State, an executed Disclosure of Ownership and a Certificate of Authority to do business in Louisiana.

4.1.8 On any bid in excess of fifty thousand dollars (\$50,000.00), the Contractor shall certify that he is licensed under R.S. 37:2150-2164 and show his license number on the Louisiana Uniform Public Work Bid Form.

4.2 Bid Security - NOT USED - No Bid Security is Required.

4.3 Submission of Bids

4.3.1 The Bid shall be sealed in an opaque envelope. The bid envelope shall be identified on the outside with the name of the project, and the name, address, and license number of the Bidder. The sealed bid envelope shall contain **only one (1) original bid form** and will be received until the time specified and at the place specified in the Advertisement for Bids. It shall be the specific responsibility of the Bidder to deliver his sealed bid to the appointed place and prior to the announced time for the opening of bids. Late delivery of a bid for any reason, including late delivery by the United States Mail, or express delivery, shall disqualify the bid.

If the bid is sent by mail, the sealed envelope shall be enclosed in a separate mailing envelope with the "Bid Enclosed" on the face thereof. Such bids shall be sent by Registered or Certified Mail, Return Receipt Requested, addressed to:

Louisiana Military Department – Post Headquarters
CAPT KEVIN KEESE

LA14-A-037
Camp Villere New Home Construction
Camp Villere, Louisiana

34845 Grantham College Rd
Slidell, LA 70460

Bids sent by express delivery shall be delivered to:

Louisiana Military Department – Post Headquarters
CMSGT JAMES E. DOWNING SR
34845 Grantham College Rd
Slidell, LA 70460

4.3.2 Bids shall be deposited at the designated location prior to the time on the date for receipt of bids indicated in the Advertisement for Bids, or any extension thereof made by addendum or addenda. Bids received after the time and date for receipt of bids will be returned unopened.

4.3.3 Bidder shall assume full responsibility for timely delivery at location designated for receipt of bids.

4.3.4 Oral, telephonic or telegraphic bids are invalid and shall not receive consideration. **Electronic bid documents may be submitted by Contractors by means designed by them so as to be received prior to the prescribed bid opening date and time, as specified in the Advertisement for Bids or stated by Addenda. Electronically submitted bids may be submitted by Contractors by submitting their bid along to:**

<https://centralauctionhouse.com/>

Any Contractor submitting an electronic bid shall deliver their original bid (hard copy) within 24hours after the prescribed bid opening date and time, as specified in the Advertisement for Bids or stated by Addenda to the Owner at the mailing address stated in 4.3.1 above.

4.4 Modification or Withdrawal of Bid

4.4.1 A bid may not be modified by the Bidder during the period following the time and bid date designated for the receipt and opening of bids. After bids are opened, contractors may withdraw their bids in accordance with R. S. 38:2214 which states, in part, “Bids containing patently obvious mechanical, clerical or mathematical errors may be withdrawn in writing by the Contractor if clear and convincing sworn, written evidence of such errors is furnished to the public entity within forty-eight hours after the Bid Opening excluding Saturdays, Sundays and legal holidays”.

4.4.2 Prior to the time and date designated for receipt of bids, bids submitted early may be modified or withdrawn only by written notice to the party receiving bids at the place and prior to the time designated for receipt of bids.

4.4.3 Withdrawn bids may be resubmitted up to the time designated for the receipt of bids provided that they are resubmitted in full conformance with these Instructions to Bidders.

4.4.4 Bid Security is not required

ARTICLE 5

CONSIDERATION OF BIDS

5.1 Opening of Bids

5.1.1 The properly identified Bids received on time will be opened publicly and will be read aloud, and a tabulation abstract of the amounts of the base bids and alternates, if any, will be made available to Bidders.

5.2 Rejection of Bids

5.2.1 The Bidder understands that the Owner shall have the right to accept or reject any or all bids and has no authority to waive informalities.

5.3 Acceptance of Bid

5.3.1 It is the intent of the Owner, if he accepts any alternates, to accept them in the order in which they are listed on the Louisiana Uniform Public Work Bid Form. Determination of the Low responsive Bidder shall be on the basis of the sum of the base bid, and if accepted, the alternates. However, the Owner shall reserve the right to accept alternates in any order which does not affect determination of the Low responsive Bidder.

ARTICLE 6

POST-BID INFORMATION

6.1 Submission

6.1.1 At the Pre-Construction Conference, the Contractor shall submit the following information to the Architect.

6.1.1.1 A designation of the work to be performed by the Contractor with his own forces.

6.1.1.2 A breakdown of the Contract cost attributable to each item listed in the Schedule of Values Form. No payments will be made to the Contractor until this is received.

6.1.1.3 The proprietary names and the suppliers of principal items or systems of material and equipment proposed for the work.

6.1.1.4 A list of names and business domiciles of all Subcontractors, manufacturers, suppliers or other persons or organizations (including those who are to furnish materials or equipment fabricated to a special design) proposed for the principal portions of the work. It is the preference of the Owner that, to the greatest extent possible or practical, the Contractor utilizes Louisiana Subcontractors, manufacturers, suppliers, and labor. If Louisiana Subcontractors, manufacturers, suppliers and labor will not be used for the project, the Contractor must provide detailed explanation as to why they will not be used.

6.1.2 The Contractor will be required to establish, to the satisfaction of the Architect, the reliability and responsibility of the proposed Subcontractors to furnish and perform the work described in the sections of the Specifications pertaining to such proposed Subcontractor's respective trades. The General Contractor shall be responsible for actions or inactions of Subcontractors and/or material suppliers. The General Contractor is totally responsible for any lost time or extra expense incurred due to a Subcontractor's/or Material Supplier's failure to perform. Failure to perform includes a Subcontractor's financial failure, abandonment of the project, or failure to do work up to standard. Under no circumstances shall the Owner mitigate the General Contractor's losses or reimburse the General Contractor for losses caused by these events.

6.1.3 Subcontractors and other persons and organizations selected by the Bidder must be used on the work for which they were proposed and shall not be changed except with the written approval of the Owner and/ or the Architect.

6.1.4 The lowest responsible bidder shall submit to the Architect and the Owner, prior to award of the contract, a letter from the manufacturer that the manufacturer will issue the final system guarantee based on the specified system and include the name of the applicator acceptable to the manufacturer for installing the specified system. This manufacturer shall be one that has received prior approval or is named in the specifications.

6.1.5 In accordance with LA. R.S. 38:2227, LA. R.S. 38:2212.10 and LA. R.S. 23:1726(B) each bidder on this project must submit the completed Attestations Affidavit (Past Criminal Convictions of Bidders, Verification of Employees and Certification Regarding Unpaid Workers Compensation Insurance) form. The Attestations Affidavit form shall be submitted to the address listed in paragraph 4.3.1. of the Instruction to Bidders. The Attestations Affidavit form shall be submitted within 10 days after the opening of bids.

ARTICLE 7

PERFORMANCE AND PAYMENT BOND

7.1 Bond Required: ALL Public Work contracts will be published as Performance and Payment Bond contracts.

7.1.1 The Contractor shall furnish and pay for a Performance and Payment Bond written by a company licensed to do business in Louisiana, which shall be signed by the surety's agent or attorney-in-fact and countersigned by a person who is under Contract with the surety as a licensed agent in this State and who is residing in this State, in an amount equal to 100% of the Contract amount. Surety must be listed currently on the U. S. Department of Treasury Financial Management Service List (Treasury List) as approved for an amount equal to or greater than the contract amount, or must be an insurance company domiciled in Louisiana or owned by Louisiana residents. If surety is qualified other than by listing on the Treasury list, the contract amount may not exceed fifteen percent of policyholders' surplus as shown by surety's most recent financial statements filed with the Louisiana Department of Insurance and may not exceed the amount of \$500,000. However, a Louisiana domiciled insurance company with at least an A- rating in the latest printing of the A. M. Best's Key Rating Guide shall not be subject to the \$500,000 limitation, provided that the contract amount does not exceed ten percent of policyholders' surplus as shown in the latest A. M. Best's Key Rating Guide nor fifteen percent of policyholders' surplus as shown by surety's most recent financial statements filed with the Louisiana Department of Insurance. The Bond shall be signed by the surety's agent or attorney-in-fact and countersigned by a person who is under contract with surety as a licensed agent in this State, and who is residing in this State. The Bond shall be in favor of the Military Department, State of Louisiana.

7.2 Time of Delivery and Form of Bond

7.2.1 The Bidder shall deliver the required Performance and Payment Bond to the Owner simultaneous with the execution of the Contract.

7.2.2 Performance and Payment Bond shall be in the form furnished by the State of Louisiana Military Department, entitled CONTRACT BETWEEN OWNER AND CONTRACTOR AND PERFORMANCE AND PAYMENT BOND, a sample of which is included in the Bidding Documents.

7.2.3 The Bidder shall require the Attorney-in-Fact who executes the required Performance and Payment Bond on behalf of the surety to affix thereto a certified and current copy of this power of Attorney.

ARTICLE 8

FORM OF AGREEMENT BETWEEN OWNER AND CONTRACTOR

8.1 Form to be Used

8.1.1 Form of the Contract to be used shall be furnished by the State of Louisiana Military Department.

8.2 Award

8.2.1 In accordance with Louisiana Law, when the Contract is awarded, the successful Bidder shall, at the time of the signing of the Contract, execute the Non-Collusion Affidavit, which is included as a sample, in the Bidding Documents and will accompany the Performance and Payment Bond contract.

8.2.2 Before award of the Contract, the successful Bidder shall furnish to the Owner a certified copy of the minutes of the corporation or partnership meeting which authorized the party executing the bid to sign on behalf of the Contractor.

8.2.3 When this project is financed either partially or entirely with State Bonds, the award of this Contract is contingent upon the sale of bonds by the State Bond Commission. The State shall incur no obligation to the Contractor until the Contract Between Owner and Contractor is duly executed.

ARTICLE 9

COMPLETION TIME AND LIQUIDATED DAMAGES

9.1 The completion of the Contract must be within the time specified in the contract. The contract is subject to extensions and may be granted under the conditions found in Paragraph 1B-15, Suspension of Work, Delays and Extensions of Time in the General Conditions, or the Contractor will be subject to pay the liquidated damages in the amount as stated in the Contract.

ARTICLE 10

PRE-BID CONFERENCE

10.1 A Pre-Bid Conference shall be held at the project site at least 7 days before the date for receipt of bids on all projects with an estimated construction cost exceeding \$25,000. The Pre-Bid Conference will be a Mandatory Pre-Bid Conference if the estimated construction cost exceeds \$50,000. The Architect shall coordinate the setting of the date, time and place for the Pre-Bid Conference/ Mandatory Pre-Bid Conference, on all projects with an estimated construction cost between \$25,000 and \$150,000, with prospective Contractors. On projects exceeding \$150,000 estimated construction costs,

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Camp Villere New Home Construction
Camp Villere, Louisiana

these projects are advertised and state in the advertisement the date, time and place of the Mandatory Pre-Bid Conference with prospective bidders, who have received sets of the Bidding and Construction Documents attending this Conference. The purpose of the Pre-Bid Conference/ Mandatory Pre-Bid Conference is to familiarize Bidders with the bid submission procedure and Construction Documents, requirements of the Project to include a site visit and familiarization of the Contract Documents.

10.2 Any revision of the Bidding Documents made as a result of the Pre-Bid Conference shall not be valid unless included in an addendum issued in accordance with Paragraph 3.4 of the Instruction to Bidders.

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LOUISIANA UNIFORM PUBLIC WORK BID FORM

TO: MILITARY DEPARTMENT, STATE OF LOUISIANA
ATTN: State Contracting Officer
718 E Street, Camp Beauregard
Pineville, Louisiana 71360-0613

BID FOR: CAMP VILLERE NEW HOME CONSTRUCTION
CAMP VILLERE, LOUISIANA
LA14-A-037

(Owner to provide name of project and other identifying information)

The undersigned bidder hereby declares and represents that she/ he; a) has carefully examined and understands the Bidding Documents, b) has not received, relied on, or based his bid on any verbal instructions contrary to the Bidding Documents or any addenda, c) has personally inspected and is familiar with the project site, and hereby proposes to provide all labor, materials, tools, appliances and facilities as required to perform in a workmanlike manner, all work and services for the construction and completion of the referenced project, all in strict accordance with the Bidding Documents prepared by Dammon Engineering, Inc.

and dated : October 08, 2014
(Owner to provide name of entity preparing bidding documents.)

Bidders must acknowledge all addenda. The Bidder acknowledges receipt of the following **ADDENDA:** (Enter the number the Designer has assigned to each of the addenda that the Bidder is acknowledging) _____

TOTAL BASE BID: For all work required by the Bidding Documents (including any and all unit prices designated "Base Bid" * but not alternates) the sum of:

_____ Dollars (\$ _____)

ALTERNATES: For any and all work required by the Bidding Documents for Alternates including any and all unit prices designated as alternates in the unit price description.

Alternate No. 1 Not Applicable
(Owner to provide description of alternate and state whether add or deduct) for the lump sum of:

_____ Dollars (\$ _____)

Alternate No. 2 Not Applicable
(Owner to provide description of alternate and state whether add or deduct) for the lump sum of:

_____ Dollars (\$ _____)

Alternate No. 3 Not Applicable
(Owner to provide description of alternate and state whether add or deduct) for the lump sum of:

_____ Dollars (\$ _____)

NAME OF BIDDER: _____

ADDRESS OF BIDDER: _____

LOUISIANA CONTRACTOR'S LICENSE NUMBER: _____

NAME OF AUTHORIZED SIGNATORY OF BIDDER: _____

TITLE OF AUTHORIZED SIGNATORY OF BIDDER: _____

SIGNATURE OF AUTHORIZED SIGNATORY OF BIDDER **: _____

DATE: _____

• The Unit Price Form shall be used if the contract includes unit prices. Otherwise it is not required and need not be included with the form. The number of unit prices that may be included is not limited and additional sheets may be included if needed.

** If someone other than a corporate officer signs for the Bidder/ Contractor, a copy of a Corporate Resolution or other signature authorization shall be required for submission of bid. Failure to include a copy of the appropriate signature authorization, if required, may result in the rejection of the bid unless the bidder has complied with La. R.S. 38:2212(A)(1)(c) or R.S. 38:2212(O).

BID SECURITY in the form of a bid bond, certified check or cashier's check as prescribed by LA R.S. 38:2218.A is attached to and made a part of this bid.

LOUISIANA UNIFORM PUBLIC WORK BID FORM

TO: MILITARY DEPARTMENT, STATE OF LOUISIANA
ATTN: State Contracting Officer
718 E Street, Camp Beauregard
Pineville, Louisiana 71360-0613

BID FOR: Upgrade Building 1000 to Current HVAC
and Electrical Standards, Camp Beauregard,
Pineville, LA - ARRA
PROJECT No: 22201007011

(Owner to provide name of project and other identifying information)

The undersigned bidder hereby declares and represents that she/ he; a) has carefully examined and understands the Bidding Documents, b) has not received, relied on, or based his bid on any verbal instructions contrary to the Bidding Documents or any addenda, c) has personally inspected and is familiar with the project site, and hereby proposes to provide all labor, materials, tools, appliances and facilities as required to perform in a workmanlike manner, all work and services for the construction and completion of the referenced project, all in strict accordance with the Bidding Documents prepared by John Q. Public Architects and Engineers, APAC and dated: June 1, 2010.
(Owner to provide name of entity preparing bidding documents.)

Bidders must acknowledge all addenda. The Bidder acknowledges receipt of the following ADDENDA: (Enter the number the Designer has assigned to each of the addenda that the Bidder is acknowledging) 1, 2

TOTAL BASE BID: For all work required by the Bidding Documents (including any and all unit prices designated "Base Bid" * but not alternates) the sum of:

FOUR HUNDRED SIXTY THOUSAND ^{\$} 00/100 Dollars (\$ 460,000.00)

ALTERNATES: For any and all work required by the Bidding Documents for Alternates including any and all unit prices designated as alternates in the unit price description.

Alternate No. 1 ADD - One (1) Additional 3 Ton HVAC System to Building 1000 Storage Room

(Owner to provide description of alternate and state whether add or deduct) for the lump sum of:

THREE THOUSAND ^{\$} 00/100 Dollars (\$ 3,000.00)

Alternate No. 2 DEDUCT - Cost to Remove Three (3) Existing Windows

(Owner to provide description of alternate and state whether add or deduct) for the lump sum of:

NINE HUNDRED FIFTY ^{\$} 75/100 Dollars (\$ 950.75)

Alternate No. 3 N/A

(Owner to provide description of alternate and state whether add or deduct) for the lump sum of:

N/A Dollars (\$ N/A)

NAME OF BIDDER: SMITH CONSTRUCTION, LLC

ADDRESS OF BIDDER: 123 4TH AVENUE
ANY TOWN, LA 12345

LOUISIANA CONTRACTOR'S LICENSE NUMBER: 98765

NAME OF AUTHORIZED SIGNATORY OF BIDDER: THOMAS SMITH

TITLE OF AUTHORIZED SIGNATORY OF BIDDER: OWNER

SIGNATURE OF AUTHORIZED SIGNATORY OF BIDDER **: Thomas Smith

DATE: JUNE 15, 2010

The Unit Price Form shall be used if the contract includes unit prices. Otherwise it is not required and need not be included with the form. The number of unit prices that may be included is not limited and additional sheets may be included if needed.

** If someone other than a corporate officer signs for the Bidder/ Contractor, a copy of a Corporate Resolution or other signature authorization shall be required for submission of bid. Failure to include a copy of the appropriate signature authorization, if required, may result in the rejection of the bid unless the bidder has complied with La. R.S. 38:2212(A)(1)(c) or R.S. 38:2212(O).

BID SECURITY in the form of a bid bond, certified check or cashier's check as prescribed by LA R.S. 38:2218.A is attached to and made a part of this bid.

SAMPLE 2 (Bidder - LLC Example)

LOUISIANA UNIFORM PUBLIC WORK BID FORM

TO: MILITARY DEPARTMENT, STATE OF LOUISIANA
ATTN: State Contracting Officer
718 E Street, Camp Beauregard
Pineville, Louisiana 71360-0613

BID FOR: Upgrade Building 1000 to Current HVAC
and Electrical Standards, Camp Beauregard,
Pineville, LA - ARRA
PROJECT No: 22201007011

(Owner to provide name of project and other identifying information)

The undersigned bidder hereby declares and represents that she/ he; a) has carefully examined and understands the Bidding Documents, b) has not received, relied on, or based his bid on any verbal instructions contrary to the Bidding Documents or any addenda, c) has personally inspected and is familiar with the project site, and hereby proposes to provide all labor, materials, tools, appliances and facilities as required to perform in a workmanlike manner, all work and services for the construction and completion of the referenced project, all in strict accordance with the Bidding Documents prepared by John Q. Public Architects and Engineers, APAC and dated: June 1, 2010.
(Owner to provide name of entity preparing bidding documents.)

Bidders must acknowledge all addenda. The Bidder acknowledges receipt of the following ADDENDA: (Enter the number the Designer has assigned to each of the addenda that the Bidder is acknowledging) 1, 2

TOTAL BASE BID: For all work required by the Bidding Documents (including any and all unit prices designated "Base Bid" * but not alternates) the sum of:

FIVE HUNDRED TWELVE THOUSAND, ^{\$}00/100 Dollars (\$ 512,000.00)

ALTERNATES: For any and all work required by the Bidding Documents for Alternates including any and all unit prices designated as alternates in the unit price description.

Alternate No. 1 ADD - One (1) Additional 3-Ton HVAC System to Building 1000 Storage Room

(Owner to provide description of alternate and state whether add or deduct) for the lump sum of:

TWO THOUSAND FIVE HUNDRED FIFTY, ^{\$}00/100 Dollars (\$ 2,550.00)

Alternate No. 2 DEDUCT - Cost to Remove Three (3) Existing Windows

(Owner to provide description of alternate and state whether add or deduct) for the lump sum of:

ONE THOUSAND TEN DOLLARS ^{\$}82/100 Dollars (\$ 1,010.82)

Alternate No. 3 N/A

(Owner to provide description of alternate and state whether add or deduct) for the lump sum of:

N/A Dollars (\$ N/A)

NAME OF BIDDER: THOMPSON BUILDERS, INC.

ADDRESS OF BIDDER: 678 B DRIVE
ANYWHERE, LA 02999

LOUISIANA CONTRACTOR'S LICENSE NUMBER: 45678

NAME OF AUTHORIZED SIGNATORY OF BIDDER: BILL W. THOMPSON

TITLE OF AUTHORIZED SIGNATORY OF BIDDER: PRESIDENT

SIGNATURE OF AUTHORIZED SIGNATORY OF BIDDER **: Bill Thompson

DATE: JUNE 15, 2010

• The Unit Price Form shall be used if the contract includes unit prices. Otherwise it is not required and need not be included with the form. The number of unit prices that may be included is not limited and additional sheets may be included if needed.

** If someone other than a corporate officer signs for the Bidder/ Contractor, a copy of a Corporate Resolution or other signature authorization shall be required for submission of bid. Failure to include a copy of the appropriate signature authorization, if required, may result in the rejection of the bid unless the bidder has complied with La. R.S. 38:2212(A)(1)(c) or R.S. 38:2212(O).

BID SECURITY in the form of a bid bond, certified check or cashier's check as prescribed by LA R.S. 38:2218.A is attached to and made a part of this bid.

SAMPLE 3 (Bidder - INC. Example)

STATE OF _____

PARISH OF _____

ATTESTATIONS AFFIDAVIT

Before me, the undersigned notary public, duly commissioned and qualified in and for the parish and state aforesaid, personally came and appeared Affiant, who after being duly sworn, attested as follows:

LA. R.S. 38:2227 PAST CRIMINAL CONVICTIONS OF BIDDERS

A. No sole proprietor or individual partner, incorporator, director, manager, officer, organizer, or member who has a minimum of a ten percent (10%) ownership in the bidding entity named below has been convicted of, or has entered a plea of guilty or nolo contendere to any of the following state crimes or equivalent federal crimes:

- (a) Public bribery (R.S. 14:118)
- (b) Corrupt influencing (R.S. 14:120)
- (c) Extortion (R.S. 14:66)
- (d) Money laundering (R.S. 14:23)

B. Within the past five years from the project bid date, no sole proprietor or individual partner, incorporator, director, manager, officer, organizer, or member who has a minimum of a ten percent (10%) ownership in the bidding entity named below has been convicted of, or has entered a plea of guilty or nolo contendere to any of the following state crimes or equivalent federal crimes, during the solicitation or execution of a contract or bid awarded pursuant to the provisions of Chapter 10 of Title 38 of the Louisiana Revised Statutes:

- (a) Theft (R.S. 14:67)
- (b) Identity Theft (R.S. 14:67.16)
- (c) Theft of a business record (R.S.14:67.20)
- (d) False accounting (R.S. 14:70)
- (e) Issuing worthless checks (R.S. 14:71)
- (f) Bank fraud (R.S. 14:71.1)
- (g) Forgery (R.S. 14:72)
- (h) Contractors; misapplication of payments (R.S. 14:202)
- (i) Malfeasance in office (R.S. 14:134)

LA. R.S. 38:2212.10 Verification of Employees

- A. At the time of bidding, Appearer is registered and participates in a status verification system to verify that all new hires in the state of Louisiana are legal citizens of the United States or are legal aliens.
- B. If awarded the contract, Appearer shall continue, during the term of the contract, to utilize a status verification system to verify the legal status of all new employees in the state of Louisiana.
- C. If awarded the contract, Appearer shall require all subcontractors to submit to it a sworn affidavit verifying compliance with Paragraphs (A) and (B) of this Subsection.

LA. R.S. 23:1726(B) Certification Regarding Unpaid Workers Compensation Insurance

- A. R.S. 23:1726 prohibits any entity against whom an assessment under Part X of Chapter 11 of Title 23 of the Louisiana Revised Statutes of 1950 (Alternative Collection Procedures & Assessments) is in effect, and whose right to appeal that assessment is exhausted, from submitting a bid or proposal for or obtaining any contract pursuant to Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950 and Chapters 16 and 17 of Title 39 of the Louisiana Revised Statutes of 1950.
- B. By signing this bid /proposal, Affiant certifies that no such assessment is in effect against the bidding / proposing entity.

NAME OF BIDDER

NAME OF AUTHORIZED SIGNATORY OF BIDDER

DATE

TITLE OF AUTHORIZED SIGNATORY OF BIDDER

**SIGNATURE OF AUTHORIZED
SIGNATORY OF BIDDER/AFFIANT**

Sworn to and subscribed before me by Affiant on the ____ day of _____, 20__.

Notary Public

CONTRACTING REQUIREMENTS

DAMMON ENGINEERING, INC.
554 OLD SPANISH TRAIL
SLIDELL, LOUISIANA 70458
Phone: 985-649-5832
Fax: 985-641-5950
Dammonengineering.com



SENATE BILL NO. 242

BY SENATOR APPEL

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

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AN ACT

To amend and reenact R.S. 14:141 and R.S. 39:1767 and R.S. 48:251.8, to enact R.S. 38:2192 and 2222 and R.S. 39:1557.1, and to repeal R.S. 38:2196.1, R.S. 39:200(N) and 1493.1, and Part X of Chapter 17 of Subtitle III of Title 39 of the Louisiana Revised Statutes of 1950, consisting of R.S. 39:1758, relative to public contracts; to provide for prohibited splitting of profits, fees, and commissions; to provide with respect to recordation of certain change orders, amendments, or other revisions to public contracts; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 14:141 is hereby amended and reenacted to read as follows:

§141. Prohibited splitting of profits, fees or commissions; exceptions

A. For the purposes of this ~~section~~ **Section**, "splitting of profits, fees or commissions" means the giving, offering to give, receiving or offering to receive, directly or indirectly, anything of apparent present or prospective value by or to a public officer or public employee or to any fund or fiduciary existing for the benefit of or use by such public officer or employee, when such value is derived from any agreement or contract to which the state or any **political** subdivision thereof is a party.

B. There shall be no splitting of profits, fees or commissions, past or present, derived from the sale of any commodity, goods, services, insurance, or anything of value to the state or any **political** subdivision thereof from which a public **officer** ~~official~~ or **public** employee, representing the state **or a political subdivision, as the case may be**, in his official capacity ~~in the contract negotiations~~, receives or offers to receive a portion of the profits, fees and/or commissions, ~~unless the amount thereof and the conditions therefor are included in detail in the contract of sale or the insurance contract and said contract is filed by the public official or employee~~

1 original contract amount and which additional amount is at least ten thousand
 2 dollars or all change orders to a contract aggregating to an amount of twenty
 3 percent or more of the original contract amount and which additional amount
 4 is at least ten thousand dollars shall be recorded by the public entity which
 5 entered into the contract in the office of the recorder of mortgages in the parish
 6 where the work is to be done or, if not a public work, where the entity is
 7 domiciled not later than thirty days after the date of the change order which
 8 requires that the recordation take place. In addition, the original contract shall
 9 be recorded together with the change orders if not previously recorded. The
 10 provisions of this Section shall not apply to the office of facility planning and
 11 control, and the office of state purchasing.

12 Section 3. R.S. 39:1767 is hereby amended and reenacted and R.S. 39:1557.1 is
 13 hereby enacted to read as follows:

14 **§1557.1. Change orders; recordation**

15 **Each change order to a contract which adds an amount of ten percent or**
 16 **more of the original contract amount and which additional amount is at least**
 17 **ten thousand dollars or all change orders to a contract aggregating to an**
 18 **amount of twenty percent or more of the original contract amount and which**
 19 **additional amount is at least ten thousand dollars shall be recorded by the**
 20 **governmental body which entered into the contract in the office of the recorder**
 21 **of mortgages in the parish where the work is to be done or where the entity is**
 22 **domiciled not later than thirty days after the date of the change order which**
 23 **requires that the recordation take place. In addition, the original contract shall**
 24 **be recorded together with the amendments or other revisions if not previously**
 25 **recorded. The provisions of this Section shall not apply to the office of facility**
 26 **planning and control, and the office of state purchasing.**

27 * * *

28 ~~§1767. Appropriation dependency; requirement for affidavit of notice of fee~~
 29 ~~disposition~~

30 ~~A:~~ All lease-purchase contracts entered into pursuant to this Chapter shall

1 contain an annual appropriation dependency requirement to the effect that renewal
 2 and continuation of such contract is contingent upon the appropriation of funds to
 3 fulfill the requirements of the contract and if the legislature, after a diligent and good
 4 faith effort, fails to appropriate sufficient monies to provide for the continuation of
 5 a contract, or if such appropriation can not be effected, the contract shall terminate
 6 in accordance with the terms of the lease on the last day of the last fiscal year for
 7 which funds were appropriated, provided the equipment is returned to the nonprofit
 8 lessor or his agent, as provided in the equipment-lease-purchase contract and such
 9 contract shall not be a long-term debt of the state or the applicable purchasing
 10 agency. In addition, in such equipment-lease-purchase contracts, the nonprofit lessor
 11 shall covenant and agree to indemnify and hold the lessee harmless against any loss,
 12 damage, liability, cost, penalty, or expense, including attorney fees, which is not
 13 otherwise agreed to by the lessee in the equipment-lease-purchase contract and
 14 which is incurred and arises upon a failure of the legislature to appropriate funds in
 15 the manner described above for a continuation of the contract or the exercise of the
 16 option to purchase the selected equipment.

17 ~~B. Notwithstanding any limitation of the applicability of this Part or Chapter~~
 18 ~~in any other provision of law, contracts shall be subject to the provisions of R.S.~~
 19 ~~38:2196.1 regarding the requirement for an affidavit of notice of fee disposition, if~~
 20 ~~applicable.~~

21 Section 4. R.S. 48:251.8 is hereby amended and reenacted to read as follows:

22 §251.8. Public contracts; certain provisions invalid; ~~requirement for affidavit of~~
 23 ~~notice of fee disposition~~

24 ~~A.~~ The legislature hereby declares null and void and unenforceable as against
 25 public policy any provision in a department contract which requires either of the
 26 following:

27 (1) That a suit or arbitration proceeding must be brought in a forum or
 28 jurisdiction outside of this state, instead of being pursued in accordance with the laws
 29 of this state governing such actions.

30 (2) That the agreement must be interpreted according to the laws of another

1 jurisdiction.

2 ~~B. Notwithstanding any limitation of the applicability of this Part or Chapter~~
3 ~~in any other provision of law, contracts shall be subject to the provisions of R.S.~~
4 ~~38:2196.1 regarding the requirement for an affidavit of notice of fee disposition, if~~
5 ~~applicable.~~

6 Section 5. R.S. 38:2196.1, R.S. 39:200(N) and 1493.1, and Part X of Chapter 17 of
7 Subtitle III of Title 39 of the Louisiana Revised Statutes of 1950, consisting of R.S. 39:1758,
8 are hereby repealed in their entirety.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

BY REPRESENTATIVES EDWARDS, ARMES, BALDONE, HENRY BURNS, BURRELL, CARMODY, CHANDLER, DIXON, DOERGE, DOWNS, ELLINGTON, GISCLAIR, GUILLORY, HARDY, HENRY, HILL, HINES, HOFFMANN, HOWARD, JOHNSON, SAM JONES, KATZ, LANDRY, LEBAS, LIGI, LITTLE, LORUSSO, MCVEA, MONToucET, POPE, RICHARD, RICHARDSON, SMILEY, GARY SMITH, JANE SMITH, TALBOT, TEMPLET, WHITE, WILLIAMS, AND WILLMOTT AND SENATOR NEVERS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

1 AN ACT

2 To enact R.S. 38:2212.10, relative to public contracts; to provide for the verification of
3 employees engaged in public contract work; to provide for penalties; and to provide
4 for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 38:2212.10 is hereby enacted to read as follows:

7 §2212.10. Verification of employees involved in public contract work

8 A.(1) The legislature finds that when illegal immigrants are living in this
9 state and are encouraged to reside here through the benefit of employment without
10 verification of immigration status, the result is that the enforcement of federal
11 immigration law is impeded and obstructed, the security of the nation's borders is
12 undermined, and the privileges and immunities of the citizens of Louisiana are
13 impermissibly restricted.

14 (2) The legislature further finds that it is a compelling public interest of this
15 state to discourage illegal immigration by requiring employers who do business with
16 the state of Louisiana to cooperate fully with federal immigration authorities in the
17 enforcement of federal immigration law.

18 B. For the purposes of this Section, the following terms shall mean:

19 (1) "Legal alien" is a person who is or was lawfully present or permanently
20 residing legally in the United States and allowed to work at the time of employment
21 and remains so throughout the duration of that employment.

1 (2) "Status verification system" means the electronic verification of work
 2 authorization program of the Illegal Immigration Reform and Immigrant
 3 Responsibility Act of 1996, 8 U.S.C. 1324(a), and operated by the United States
 4 Department of Homeland Security, known as the "E-Verify" program.

5 C. A private employer shall not bid on or otherwise contract with a public
 6 entity for the physical performance of services within the state of Louisiana unless
 7 the private employer verifies in a sworn affidavit attesting to both of the following:

8 (1) The private employer is registered and participates in a status verification
 9 system to verify that all employees in the state of Louisiana are legal citizens of the
 10 United States or are legal aliens.

11 (2) The private employer shall continue, during the term of the contract, to
 12 utilize a status verification system to verify the legal status of all new employees in
 13 the state of Louisiana.

14 (3) The private employer shall require all subcontractors to submit to the
 15 employer a sworn affidavit verifying compliance with Paragraphs (1) and (2) of this
 16 Subsection.

17 D.(1) Any private employer violating the provisions of this Section may be
 18 subject to cancellation of any public contract, resulting in ineligibility for any public
 19 contract for a period of not more than three years from the date the violation is
 20 discovered.

21 (2) Any private employer shall be liable for any additional costs incurred by
 22 a public entity, occasioned by the cancellation of a contract or loss of any license or
 23 permit to do business in the state, as provided in this Subsection.

24 (3) Any private employer penalized in accordance with this Section shall
 25 have the right to appeal to the appropriate agency, department, or other public entity
 26 sanctioning the employer or to a court of competent jurisdiction.

27 (4) Any person, contractor, or employer who complies with the provisions
 28 of this Section shall not be civilly or criminally liable under state law for either
 29 hiring or retaining in its employ an unauthorized alien, as defined by 8 U.S.C.
 30 1324a(h)(3), if the information obtained in accordance with the status verification

1 system indicated that the employee's federal legal status allowed the employer to hire
2 that employee.

3 (5) Any person, contractor, or employer who complies with the provisions
4 of this Section shall not be civilly or criminally liable under state law for a refusal
5 to either hire or retain an individual in its employ if the information obtained in
6 accordance with the status verification system indicated that the individual's federal
7 legal status was that of an unauthorized alien, as defined in 8 U.S.C. 1324a(h)(3).

8 (6) No person, contractor, or employer shall be penalized under the
9 provisions of this Section for the actions of a subcontractor unless such person,
10 contractor, or employer had actual knowledge of such subcontractor's failure to
11 comply with the provision of this Section.

12 E. The provisions of this Section shall apply only to contracts entered into
13 or bids offered on or after January 1, 2012.

14 F. In the event the status verification system expires and extensions are not
15 approved by the federal government, the provisions of this Section shall no longer
16 apply.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

BY REPRESENTATIVE TALBOT AND SENATOR GUILLORY

1 AN ACT

2 To amend and reenact R.S. 23:995, relative to the verification of citizenship and
3 authorization for employment; to provide with respect to civil penalties for
4 violations; to require the suspension of permits or licenses for violations; to provide
5 for defenses; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 23:995 is hereby amended and reenacted to read as follows:

8 §995. Civil penalties

9 A. No person, either for himself or on behalf of another, shall employ, hire,
10 recruit, or refer, for private or public employment within the state, an alien who is
11 not entitled to lawfully reside or work in the United States.

12 B. No person shall be subject to civil penalties pursuant to the provisions of
13 this Part upon a showing of either of the following:

14 (1) The citizenship or work authorization status of every employee has been
15 verified by the United States Citizenship and Immigration Services E-Verify system,
16 hereinafter referred to as E-Verify.

17 (2) Each employee has provided a picture identification and one of the
18 following documents of which the employer has retained a copy for his records:

19 (a) United States birth certificate or certified birth card.

20 (b) Naturalization certificate.

21 (c) Certificate of citizenship.

22 (d) Alien registration receipt card.

23 (e) United States immigration form I-94 (with employment authorized
24 stamp).

1 C. Any employer who has utilized the E-Verify system to determine the
2 employment eligibility of an employee is presumed to have been in good faith and
3 is not subject to any penalty as a result of the reliance on the accuracy of the E-
4 Verify system.

5 D. The executive director of the Louisiana Workforce Commission shall
6 enforce the provisions of this Section. The executive director may assess civil
7 penalties against any person violating the provisions of this Section, or when
8 appropriate, inform the proper governing or licensing authority to suspend a license
9 or permit to do business, as follows:

10 (1) For a first violation the penalty shall be not more than ~~two hundred fifty~~
11 five hundred dollars for each alien employed, hired, recruited, or referred in violation
12 of this Section.

13 (2) For a second violation the penalty shall be not more than ~~five hundred~~
14 one thousand dollars for each alien employed, hired, recruited, or referred in
15 violation of this Section. However, the provisions of this Section shall not apply to
16 any health care facility or entity licensed by the Department of Health and Hospitals,
17 the department shall follow the applicable licensing statutes and licensing rules for
18 suspension of a license.

19 (3) For a third or subsequent violation ~~the penalty~~, the appropriate local
20 governing authority or licensing agency shall immediately suspend the violator's
21 permit or license to do business in the state for not less than thirty days nor more
22 than six months and a fine shall be assessed that shall be not more than one thousand
23 two thousand five hundred dollars for each alien employed, hired, recruited, or
24 referred in violation of this Section. However, the provisions of this Section shall
25 not apply to any health care facility or entity licensed by the Department of Health
26 and Hospitals, the department shall follow the applicable licensing statutes and
27 licensing rules for suspension of a license.

28 ~~E.~~ E. Civil penalties may be imposed only by a ruling of the executive
29 director pursuant to an adjudicatory hearing held in accordance with the
30 Administrative Procedure Act, R.S. 49:950, et seq.

1 ~~D. F.~~ The executive director may institute civil proceedings in the Nineteenth
2 Judicial District Court to enforce its rulings. In the event judgment is rendered in
3 said court affirming the civil penalties assessed, the court shall also award to the
4 Louisiana Workforce Commission reasonable attorney fees, and judicial interest on
5 said civil penalties from the date of its assessment by the Louisiana Workforce
6 Commission until paid and all costs.

7 E. G. The executive director may institute civil proceedings in the
8 Nineteenth Judicial District Court seeking injunctive relief to restrain and prevent
9 violations of the provisions of this Part or of the rules and regulations adopted under
10 the provisions of this Part. If the court grants the injunctive relief sought by the
11 Louisiana Workforce Commission, it shall also award reasonable attorney fees and
12 costs to the Louisiana Workforce Commission.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

Sample

CONTRACT BETWEEN OWNER AND CONTRACTOR
AND PERFORMANCE AND PAYMENT BOND

This agreement entered into this _____nd day of _____, 2015 by _____ hereinafter called the "Contractor", whose business address is _____, _____, _____, and the Louisiana Military Department, herein represented by the contracting office executing this contract hereinafter called the "Owner".

Witnesseth that the Contractor and the Owner, in consideration of premises and the mutual covenants; consideration and agreement herein contained, agree as follows, that:

1. The Advertisement or solicitation for Bids,
2. The Louisiana Uniform Public Work Bid Form dated _____, 2015,
3. The Instructions to Bidders and General Conditions,
4. Bonds,
5. The Specifications and Scope of Work dated _____, including Plans, Drawings and Attachments,
6. The enumerated plans prepared by **Dammon Engineering, Inc., 554 Old Spanish Trail, Slidell, LA 70458. Phone (985) 649-5832,**
7. The following enumerated addenda: **Addendum No _____, dated _____, 2015** are all Contract Documents hereby made a part of this Contract to the same extent as if incorporated herein in full.

The Contractor agrees to furnish all labor and materials, tools, equipment, and other facilities necessary to perform all work in a thorough and workmanlike manner required to complete the:

Camp Villere New Home Construction

for the Department of Military Affairs in _____ Parish, Louisiana in accordance with this contract and their proposal dated _____, 2015, all in strict accordance with the requirements of the Contract Documents to include the above witnessed documents which are incorporated herein by reference with the same force and effect as though said documents were herein set out in full. It is recognized by the parties herein that said Contract Documents impose duties and obligations upon the parties herein, and said parties thereby agree that they shall be bound by said duties and obligations.

Time for Completion: The work shall be commenced on a date to be specified in a written order of the Owner and shall be completed within _____ consecutive calendar days from and after the said date. Contract shall begin no earlier than _____, 2015 and end on _____, 2015.

Liquidated Damages: Contractor shall be assessed Liquidated Damages in the amount of _____ per day for each

Sample

CONTRACT BETWEEN OWNER AND CONTRACTOR
AND PERFORMANCE AND PAYMENT BOND

consecutive calendar day which work is not complete beginning with the first day beyond the completion time.

Compensation to be paid to the Contractor: The Owner will pay and the Contractor will accept in full consideration for the performance of the Contract the sum of:

(\$00.00) which sum represents the _____ (Base Bid or Base Bid plus alternates).

Performance and Payment Bond: To these presents personally came and intervened _____, herein acting for _____, a corporation organized and existing under the laws of the State of _____, and duly authorized to transact business in the State of Louisiana, as Surety, who declared that having taken cognizance of this Contract and of the Contract Documents mentioned herein, he hereby in his capacity as its Attorney in Fact obligates his said company, as Surety for the said Contractor, unto the said Owner, up to the sum of:

(\$00.00). By issuance of this bond, the Surety acknowledges they are in compliance with R.S. 38:2219.

The condition of this Performance and Payment Bond shall be that should the Contractor herein not perform the Contract in accordance with the terms and conditions hereof, or should said Contractor not fully indemnify and save harmless the Owner from all costs and damages which he may suffer by said Contractor's non-performance or should said Contractor not pay all persons who have and fulfill obligations to perform labor and/or furnish materials in the prosecution of the work provided for herein, including by way of example; Workmen, laborers, and mechanics, and furnishers of materials, machinery, equipment, and fixtures then said Surety agrees and is bound to so perform the Contract and make said payment(s).

Provided, that any alterations which may be made in the terms of the contract or in the Work to be done under it, or the giving by the Owner of any extensions of time for the performance of the Contract, or any other forbearance on the part of either the Owner or the Contractor to the other shall not in any way release the Contractor or the Surety from their liability hereunder, notice to the Surety of any such alterations, extensions or other forbearance being hereby waived.

The Contractor agrees to abide by the requirements of the following as applicable: Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1972, and contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

Contractor agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, sex, religion, national origin, genetic information, age or disabilities. Any act of discrimination committed by Contractor or failure to comply with these statutory obligations when applicable shall be grounds for termination of this contract.

Sample

CONTRACT BETWEEN OWNER AND CONTRACTOR
AND PERFORMANCE AND PAYMENT BOND

Contractor hereby agrees that the responsibility for payment of taxes from the funds thus received under this agreement and/or legislative appropriation shall be said Contractor's obligation and identified under Federal tax identification number _____ - _____.

In Witness whereof, the parties hereto on the day and year first above written have executed this agreement in Four (4) counterparts, each of which shall, without proof or accountancy for the other counterparts, be deemed an original thereof.

ALTERATIONS/MODIFICATIONS TO CONTRACT

Annex A - Affidavit attesting that public contract was Not, nor will not be secured through Employment or payment or solicitor.

WITNESSES

(Print)

(Signature)

(Print)

(Signature)

CONTRACTOR

BY: _____
(Print)

(Signature)

Note: If Contractor is not a Corporation, witnesses are required. If Contractor is a corporation, a Corporate Resolution must be attached.

WITNESSES

(Print)

(Signature)

(Print)

(Signature)

LOUISIANA MILITARY DEPARTMENT

BY: Owen W. Monconduit
(Print)

(Signature)

Brigadier General (Ret),
Louisiana Military Department
Deputy Director -
Contracting and Purchasing

WITNESS

(Print)

(Signature)

SURETY

BY: _____
ATTORNEY IN FACT

INDEMNIFICATION AGREEMENT

The _____(Contractor/Lessee) agrees to protect, defend indemnify, save, and hold harmless, the State of Louisiana, all State Departments, Agencies, Boards and Commissions, its officers, agents, servants, employees and volunteers, from and against any and all claims, damages, expenses and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur or in any way grown out of, any act or omission of _____(Contractor/Lessee), its Agents, servants, and employees, or any and all costs, expenses and/or attorney fees incurred by _____(Contractors/Lessee) as a result of any claims, demands, suits or causes of action, except those claims, demands, suits or causes of action arising out of the negligence of the State of Louisiana, all State Department, Agencies, Boards, Commissions, its officers, agents, servants, employees and volunteers.

_____ (Contractor/Lessee) agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands, or suits or causes of action at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claims, demands, suits or causes of action are groundless, false or fraudulent.

Accepted by _____
(Company Name)

(Signature)

(Title)

Date Accepted _____

Is Certificate of Insurance Attached: _____ Yes _____ No

Contract No. _____ for _____
(State Agency Name)

PURPOSE OF
CONTRACT: _____

STATE OF LOUISIANA
PARISH OF ST. TAMMANY

CONTRACT NO: _____
NAME: _____
LOCATION: _____

AFFIDAVIT

Before me, the undersigned authority, duly commissioned and qualified within and for the state and parish aforesaid, personally came and appeared _____ representing _____ who, being by me first duly sworn, deposed and said that he has read this affidavit and does hereby agree under oath to comply with all provisions herein as follows:

PART I

Section 2220 of Part of Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950 as amended.

(1) That affiant employed no person, corporation, firm, association, or other organization, either directly or indirectly, to secure the public contract under which he received payment, other than persons regularly employed by the affiant whose services in connection with the construction of the public building or project or in securing the public contract were in the regular course of their duties for affiant; and

(2) That no part of the contract price received by affiant was paid or will be paid to any person, corporation, firm, association or other organization for soliciting the contract, other than the normal payment of their normal compensation to persons regularly employed by the affiant whose services in connection with the construction of the public building or project were in the regular course of their duties for affiant.

PART II

Section 2190 of Part 1 of Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950 as amended.

That affiant, if he is an architect or engineer, or representative thereof, does not own a substantial financial interest, either directly or indirectly, in any corporation, firm, partnership, or other organization when the architect or engineer has performed architectural or engineering services, either directly or indirectly, in connection with the public building or project for which the materials are being supplied.

For the purposes of this Section, a "substantial financial interest" shall exclude any interest in stock being traded on the American Stock Exchange or the New York Stock Exchange.

That affiant, if subject to the provisions of this Section, does hereby agree to be subject to the penalties involved for the violation of this Section.

PART III

That affiant does hereby state that he has read and agrees to comply with and be subject to the provision of Part V of Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950, being Sections 2290 through 2296 of Title 38 as amended.

AFFIANT

SWORN TO AS PRESCRIBED BEFORE ME THIS _____ DAY OF _____, 2014.

NOTARY

(Contractor Name)

(Contractor Address)

(Contractor City, State, Zip)

Date: _____

Contractor Certification and Disclosure Form

I, _____, do hereby certify that:
(Print Name)

- a. As an entity contracting with the State of Louisiana Military Department, I acknowledge and agree that I am responsible for ensuring there is no conflict of interest or violation of the State of the Louisiana Ethics Code.
- b. Neither I, nor any of my employees, have immediate family members who work for the Louisiana Military Department (LMD). In addition, no member of the LMD has a controlling interest in my company, as defined in the Louisiana Ethic Code.
- c. Neither I, nor any of my employees, have any other relationships with LMD employees that are or may be perceived as improper or unethical; OR

I hereby disclose freely and with no reservations that I, or the below listed employee, have/has relationships with the following LMD employee (s): _____

The nature of this/these relationship (s) is/are (personal, professional; number of years of relationship, etc): _____

- d. The information above is true and correct, and should anything come to my attention that would damage the answers above, I will inform LMD immediately.

(Signature)

(Printed name)

Sworn Affidavit

(Date)

I hereby verify that all of the employees of _____ have been placed into the (E-Verify System) and are US-Born Citizens or Legal Aliens.

Contract Title: _____

Contract number: _____

(Witness Signature)

(Company Name)

(Signature)

(Witness Signature)

(Notary Signature / Seal)

GENERAL CONDITIONS

ISSUED BY:

**LOUISIANA MILITARY DEPARTMENT
STATE CONTRACTING OFFICE
BUILDING 718 “E” STREET, CAMP BEAUREGARD
PINEVILLE, LOUISIANA 71360-0613**

April 2015

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GENERAL CONDITIONS

1B-01 SCOPE OF WORK

The work to be performed under this contract consists of furnishing all plant, material, equipment, supplies, labor and transportation, including fuel, power, water (except any materials, equipment, utility or service, if any specified herein to be furnished by the Owner), and performing all work as required by the Contract in strict accordance with the specifications, schedules and drawings, all of which are made a part hereof and including such detail drawings as may be furnished by the Architect / Engineer from time to time during the construction in explanation of said drawings.

1B-02 DEFINITIONS

a. The "**Contract Documents**" are enumerated in the Contract Between Owner and Contractor And Performance And Payment Bond (hereinafter the Agreement) and consist of the Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of the Contract, other documents listed in the Agreement and Modifications issued after execution of the Contract. A Modification is (1) a written amendment to the Contract signed by both parties, (2) a Change Order, (3) a Construction Change Directive or (4) a written order for a minor change in the Work issued by the Architect.

b. The "**Owner**" is the Louisiana Military Department (LMD), Contracting Office located at Camp Beauregard, Pineville, Louisiana.

c. The "**Contracting Officer**" is the duly authorized Military representative of the Owner acting on behalf of The Adjutant General.

d. The "**Contractor**" is the person, association of persons, firm or corporation entering into the contract with the Owner.

e. The "**Subcontractor**" is the person, association of persons, firm or corporation who contracts with the Contractor to perform work covered by the Contract.

f. "**Written Notice**" shall be deemed to have been duly served if delivered in person to the individual or to a member of the firm or to an officer of the corporation for whom it is intended, or if delivered at or sent by registered mail to the last business address known to him who gives the notice.

g. The term "**work**" of the Contractor or Subcontractor includes labor or materials, or both. The term "**provide**" includes furnishing and installation.

h. The law of the place of the building shall govern the construction under the Contract.

i. In the event there is no "**Architect**", then substitute the term "**Owner**" as necessary.

j. The term “**Contract**” represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. The Contract Documents form the “**Contract**” for construction. The Contract may be amended or modified only by a Modification. The Contract Documents shall not be construed to create a contractual relationship of any kind (1) between the Contractor and the Architect or the Architect’s consultants, (2) between the Owner and a Subcontractor or a Sub-subcontractor, (3) between the Owner and the Architect or the Architect’s consultants or (4) between any persons or entities other than the Owner and the Contractor. The Architect shall, however, be entitled to performance and enforcement of obligations under the Contract intended to facilitate performance of the Architect’s duties.

k. The “**Drawings**” are the graphic and pictorial portions of the Contract Documents showing the design, location and dimensions of the Work, generally including plans, elevations, sections, details, schedules and diagrams.

l. The “**Specifications**” are that portion of the Contract Documents consisting of the written requirements for materials, equipment, systems, standards and workmanship for the Work, and performance of related services.

1B-03 CORRELATION AND INTENT OF DOCUMENTS

The Contract Documents are complementary, and what is called for by any one shall be as binding as if called for by all. The intention of the documents is to include all execution of the work. It is not the intent, however, that materials or work not covered by or properly inferable from any heading, branch, class or trade of the Specifications shall be supplied unless distinctly so noted on the Drawings. Materials or work described in words, which so applied, have a well-known technical or trade meaning shall be held to refer to such recognized standards. The Contract Documents are intended to produce a piece of work complete in every respect, and the Contractor shall furnish all things necessary to complete the work within the meaning and intent of the said documents. It shall be the responsibility of the Contractor to provide everything necessary to complete the work except for such items, which are specifically excluded and excepted.

1B-04 DETAIL DRAWINGS, INSTRUCTIONS, ADDENDA AND INTERPRETATION

a. The Architect shall furnish with reasonable promptness additional instructions, by means of drawings or otherwise, necessary for the proper execution of the work. All such drawings and instructions shall be executed in conformity therewith, and the Contractor shall do no work without proper drawings and instructions.

b. Addenda and Interpretations - No interpretation of the meaning of the plans, specifications or other pre-bid documents will be made to any bidder orally. Every request for such interpretation will be in writing to the Architect and to be given consideration must be received at least seven (7) days prior to the date fixed for the opening of bids. Any and all such interpretations and any supplemental instructions will be in the form of written addenda to the specifications which, if issued, will be mailed to all prospective bidders (at the respective addresses furnished for such purposes), not later than three (3) days prior (do not include Saturday, Sunday or legal holidays) to the date fixed for the opening of

bids. Failure of any bidder to receive any such addendum(a) or interpretation shall not relieve such bidder from any obligation under his bid as submitted. All Addenda so issued shall become part of the Contract Documents.

1B-05 MATERIAL AND WORKMANSHIP

Unless otherwise specifically provided for in the specifications, all equipment, materials and articles incorporated in the work covered by this Contract are to be new and of the most suitable grade of their respective kinds for the purpose intended, and all workmanship shall be **in a thorough workmanlike manner**. Where any work not performed to the skill of a qualified workman in that particular trade, Contractor is to replace, remove, rework or repair to meet the quality expected of that craftsman with no additional expense to owner. Where equipment, materials or articles are referred to in the specifications as "equal to" any particular standard, the Architect shall decide the question of equality. The Contractor shall furnish to the Architect for his approval the name of the manufacturer of machinery, mechanical and other equipment, which he contemplates incorporating in the work, together with their performance capacities and other pertinent information. When required by the specifications, or when called for by the Architect, the Contractor shall furnish to the Architect for approval full information concerning the materials or articles, which he contemplates incorporating in the work. Samples of materials shall be submitted for approval when so directed. Machinery, equipment, materials and articles installed or used without such approval shall be at the risk of subsequent rejection. The Architect/ Owner may in writing require the Contractor to remove from the work site such employee as they deem necessary for incompetence, carelessness, insubordination or otherwise objectionable, or whose continued employment on the work site is deemed by the Architect/ Owner to be contrary to the public interest.

1B-06 SITE INVESTIGATION AND REPRESENTATION

The Contractor acknowledges that he has satisfied himself as to the nature and location of the work, the general and local conditions, particularly those bearing upon transportation, disposal, handling and storage of materials, availability of labor, water, electric power, roads and uncertainties of weather, river stages, tides, or similar physical conditions at the site, the conformation and condition of the ground, the character, quality and quantity of surface and subsurface materials to be encountered, the character of equipment and facilities needed preliminary to and during the prosecution of the work and all other matters which can in any way affect the work or the cost thereof under this Contract. Any failure by the Contractor to acquaint himself with all the available information concerning these conditions will not relieve him from responsibility for estimating properly the difficulty or cost of successfully performing the work. The Owner assumes no responsibility for any understanding or representations made by any of its officers or agents during or prior to the negotiation and execution of this contract, unless:

- a. Such understanding or representations are expressly stated in the Contract.
- b. The Contract expressly provides the responsibility therefore is assumed by the Owner, representations made but not so expressly assumed by the Owner in the Contract shall be deemed only for the information of the Contractor, and the Owner will not be liable or responsible therefore.

1B-07 OPERATIONS AND STORAGE AREAS

a. All operations of the Contractor (including storage of materials) upon Owner's premises shall be confined to areas authorized or approved by the Owner. No unauthorized or unwarranted entry upon, passage through, storage or disposal of materials shall be made upon the Owner's premises. Owner's premises and adjacent to the construction will be made available for use by the Contractor without cost whenever such use will not interfere with Owner's other uses or purposes. The Contractor will be liable for any and all damage caused by him to such Owner premises. The Contractor shall hold and save the Owner, its officers and agents, free and harmless from liability of any nature or kind arising from any use, trespass or damage occasioned by his operations on premises of third persons.

b. Temporary buildings (storage sheds, shops, offices, etc.) shall be erected by the Contractor only with the approval of the Contracting Officer, and shall be built with labor and materials furnished by the Contractor without expense to the Owner, such temporary buildings and/or utilities must be removed unless otherwise approved by the Owner.

c. The Contractor shall, under regulations prescribed by the Owner, use only established roadways or construct and use such temporary roadways as may be authorized by the Owner. Where materials are transported in the prosecution of the work, vehicles shall not be loaded beyond the loading capacity recommended by the manufacturer of the vehicle or prescribed by any federal, state or local law or regulation. When it is necessary to cross curbing or sidewalks, protection against damage shall be provided by the Contractor, and any damaged roads, curbing, or sidewalks shall be repaired by or at the expense of the Contractor.

1B-08 BASE LINES AND GRADES

The Contractor shall lay out his work from base lines and grades established by the Architect and shall be responsible for all measurements in connection therewith. The Contractor shall at his own expense furnish all stakes, templates, platforms, equipment and labor that may be required in setting marks, or laying out any part of the work. The Contractor will be held responsible for the proper execution of the work to such lines and grades as may be established or indicated by the Architect, and all stakes or other marks thus established shall be preserved by him until their removal is authorized by the Architect. The Architect will furnish, on request from the Contractor, all location and limit marks reasonably necessary for the conduct of the work.

1B-09 PROGRESS CHARTS, SUNDAYS, HOLIDAYS AND NIGHTS

a. The Contractor shall, prior to award of the Contract, prepare and submit through the Architect to the Construction and Facilities Management Office for approval a practical and feasible schedule showing the date on which he will start the several salient features (including procurement of materials, plant and equipment) and the contemplated dates for completing same. The schedule shall be in the form of a progress chart of suitable scale to indicate approximately the percentage of work scheduled for completion at any time. The Contractor shall enter on the chart the actual progress at the end of each week or at such intervals as directed by the Owner and shall immediately deliver to the Owner three (3) copies thereof.

b. The Contractor shall furnish sufficient forces, construction plant and equipment shall work such hours, including night shifts, overtime operations and Sunday and Holiday work as may be necessary to ensure the prosecution of the work in accordance with the approved progress schedule. If,

in the opinion of the Owner, the Contractor falls behind the progress schedule, the Contractor shall take such steps as necessary to improve his progress and the Owner may require him to increase the number of shifts and/or overtime operations, day of work and/or the amount of construction plants, all without additional cost to the Owner.

c. Failure of the Contractor to comply with the requirements of the Owner under this provision shall be grounds for determination by the Owner that the Contractor is not prosecuting the work with such diligence as will ensure completion within the time specified. Upon such determination, the Owner may terminate the Contractor's right to proceed with the work, or any separate part thereof, in accordance with the **Termination for Default-Damages or Delay** article of the Contract.

1B-10 STATEMENT TO CONTRACTORS

The Louisiana Military Department is a participant in the Small Entrepreneurship (SE) Program (The Hudson Initiative) and the Veteran-Owned and Service Connected Disabled Veteran-Owned (La Vet) Small Entrepreneurship Program. Bidders are encourage to consider participation.

1B-11 RELATION OF CONTRACTOR AND SUBCONTRACTOR

a. The Contractor agrees to bind every subcontractor and every subcontractor agrees to be bound by the terms of the Contract, the General Conditions, the Drawings and Specifications as far as applicable to his work, including the following provisions of this article, unless specifically noted to the contrary in a subcontract approved in writing as adequate to the Owner. This does not apply to minor subcontracts.

b. The Subcontractor agrees:

1. To be bound to the Contractor by the terms of the Contractor, General Conditions, Drawings and Specifications and to assume toward him all obligations and responsibilities that he, by these documents, assumes toward the Owner.
2. To submit to the Contractor applications for payment in such reasonable time as to enable the Contractor to apply for payment under the General Conditions.
3. To make all claims for extras, for extensions of time and for damages for delays or otherwise, to the Contractor in the manner provided in the General Conditions for like claims by the Contractor upon the Owner except that the time for making claims for extra cost is one (1) week.

c. The Contractor agrees:

1. To be bound to the subcontractor by all obligation that the Owner assumes to the Contractor under the Agreement, General Conditions, Drawings and Specifications, and by all the provisions thereof affording remedies and redress to the Contractor from the Owner.
2. To pay the subcontractor an amount allowed to the Contractor on account of the subcontractor's work to the extent of the subcontractor's interest therein.

3. To pay the subcontractor so that all times his total payment shall be as large in proportion to the value of the work done by him as the total certified to the Contractor is to the value of the work done by him.
4. To pay the subcontractor to such extent as may be provided by the Contract Documents or subcontract, if either of those provided for earlier or larger payments than the above.
5. To pay the subcontractor a just share of any fire insurance as far as executed and fixed in place, less the retained percentage.
6. To pay the subcontractor a just share of fire insurance money received by him, the Contractor.
7. To make no demand for liquidated damages or penalty for delay in any sum in excess of such amount as may be specifically named in the Contract.
8. That no claim for services rendered or materials furnished by the Contractor to the subcontractor shall be valid unless written notice thereof is given by the Contractor to the subcontractor during the first ten (10) days of the calendar month following that in which the claim originated.
9. To give the subcontractor an opportunity to be present and submit evidence in any arbitration involving his rights.
10. To name as arbitrators under arbitration proceedings as provided in the General Conditions the person nominated by the subcontractor if the sole cause of dispute is the work materials, rights, or responsibilities, of the subcontractor; or if of the subcontractor and any other subcontractor jointly, to name as such arbitrator the person upon whom they agree.

d. The Contractor and the subcontractor agree that:

1. In a matter of arbitration, their rights and obligations and all procedure shall be analogous to those set forth in this Contract.
2. Nothing in this article shall create any obligation on the part of the Owner to pay to or see to the payment of any sums to any subcontractor.

1B-12 SAMPLES AND DESCRIPTIVE DATA

a. Samples and descriptive data required shall:

1. Be submitted within the time specified in these specifications, or if no time is specified, within a reasonable time before use to permit inspection and testing.
2. Be shipped prepaid and delivered as specified in these specifications, or as directed by the

Owner.

3. Be properly marked to show the name of the materials, trademark and name of manufacturer, place of origin, name and location of the work where the material represented is to be used in the project, and the name and address of the person or firm submitting the sample.

b. Samples not subject to destructive tests may be retained until completion of the work but thereafter will be returned to the contractor, if he so requests in writing, at his own expense. Failure of any sample to pass the specified requirements will be sufficient cause for refusal to consider further any samples from the same manufacturer whose materials failed to pass the test.

1B-13 PROTECTION OF MATERIAL AND WORK

a. The Contractor shall at all times protect and preserve all materials, supplies and equipment of every description (including property which may be Owner-furnished or owned) and all work performed. All reasonable requests of the Owner to enclose or specially protect such property shall be complied with. If, as determined by the Owner, material, equipment, supplies and work performed are not adequately protected by the Contractor, such property may be protected by the Owner and the cost thereof may be charged to the Contractor or deducted from any payment due to him.

b. The Contractor shall continuously maintain adequate protection of all work from damage and shall make good any such damage, injury or loss, except such as may be directly due to errors in the contract documents. He shall provide and maintain all passageways, guard fences, lights and other facilities for protection required by public authority or local conditions.

c. In an emergency affecting the safety of life or of the work or of adjoining property, the Contractor, without special instruction or authorization from the Architect or Owner, is hereby permitted to act at his discretion, to prevent such threatened loss or injury, and he shall so act without appeal if so instructed or authorized. Any compensation claimed by the Contractor on account of emergency work, shall be determined by agreement or arbitration.

1B-14 POSSESSION PRIOR TO COMPLETION

The Owner shall have the right to take possession of or use any completed or partially completed part of the work. Such possession or use shall not be deemed an acceptance of any work not completed in accordance with the contract. If such prior possession or use by the Owner delays the progress of the work or causes additional expense to the Contractor, an equitable adjustment in the contract price and/or the time of completion will be made and the contract shall be modified in writing accordingly.

1B-15 SUSPENSION OF WORK, DELAYS AND EXTENSION OF TIME

a. The Owner may order the Contractor to suspend all or any part of the work for such period of time as may be determined by him to be necessary or desirable for the convenience of the Owner. Unless such suspension unreasonably delays the progress of the work and causes additional expense or

loss to the Contractor, no increase in Contract price will be allowed. In the case of suspension of all or any part of the work for any unreasonable length of time causing additional expense or loss, not due to the fault or negligence of the Contractor, Owner shall make an equitable adjustment in the Contract price and modify the contract accordingly. An equitable extension of time for the work in the event of such suspension will be allowed the Contractor, provided, however, that the suspension was not due to the fault or negligence of the Contractor. If the Contractor be delayed at any time in the progress of the work by an act or neglect of the Owner or the Architect, or by any employee of either, or by any other Contractor employed by the Owner, or by changes ordered in work or by the strikes, lockouts, fire, unavoidable casualties or any causes beyond the Contractor's control or by delay authorized by the Architect pending arbitration, then the time of completion may be extended for such reasonable time as the Owner may decide.

b. No such extension shall be made for delay occurring more than seven (7) days before claim therefore is made in writing to the Architect. In the case continuing cause of delay, only one claim is necessary.

c. If no schedule or agreement stating the dates upon which drawings shall be furnished is made, then no claim for delay shall be allowed on account of failure to furnish drawings until two (2) weeks after demand for such drawings and not then unless such claim be reasonable.

d. This article does not exclude the recovery of damages for delay by either party under other provisions in the contract documents.

1B-16 ACCIDENT PREVENTION AND SANITATION

The Contractor will ensure compliance with OSHA Safety and Health Standards (29 CFR 1910) and Occupational Safety and Health Regulations for Construction (CFR 1926).

1B-17 Not Used

1B-18 DRAWINGS AND SPECIFICATIONS

a. The Contractor shall keep one (1) copy of all drawings and specifications on the work, in good order, available to the Architect and his representatives.

b. Upon completion of work, and before final acceptance of project, submit one (1) set of red lined "As-Built" (hard copy) prints clearly indicating all deviations from project drawings to the architect.

c. The contractor is to keep on job site all Fire Marshal approved drawings and specifications, Fire Marshal reviewed shop drawing submittals of sprinklers, fire alarm system, etc. and any associated correspondence. These items are to be kept in a secure location to prevent anyone from defacing or removing any part of these documents. These documents are to be available to the owner, Fire Marshal inspectors and the architect at any time.

1B-19 WATER

The responsibility shall be upon the Contractor to provide and maintain at his own expense an adequate supply of water of a quality suitable for his use for construction and domestic consumption. At his own expense he shall install and maintain any necessary water supply connection and piping but only at such locations and in such workmanlike manner as may be authorized by the Owner. All water shall be carefully conserved. Before final acceptance, temporary connections and piping installed by the Contractor shall be removed in a workmanlike manner to the satisfaction of the Owner. If it is determined by the Owner that the water systems and supplies operated by the Owner are adequate for the needs and use of the Contractor as well as the Owner, all reasonable required amounts of water will be made available to the Contractor by the Owner from such existing water systems and supplies, without cost to the Contractor.

1B-20 DRINKING WATER

During the construction of the building, the Contractor shall provide proper drinking water for workmen employed on the job. Drinking water shall be strictly pure, and when the weather warrants, ice shall be provided.

1B-21 SANITARY CONVENIENCES

During the construction of the building, the Contractor shall provide proper sanitary conveniences for the workmen employed on the work. Conveniences shall be kept in a thoroughly sanitary condition at all times and adequately supplied with a good grade of toilet paper. Workmen will not be permitted to use the present toilet facilities, if any, unless specifically approved by the Owner.

1B-22 ELECTRICITY

All electric current required by the Contractor shall be furnished at his own expense. All temporary connections for electricity shall be subject to the approval of the Owner. In the event electricity is made available by the Owner, the Contractor shall, at his own expense, install a meter to determine the amount of current used by him, and such electricity will be paid for by or charged to the Contractor at prevailing rates or at reasonable rates as determined by the Owner. All temporary lines will be furnished, installed, connected and maintained by the Contractor in a workmanlike manner satisfactory to the Owner and shall be removed by the Contractor in like manner at his expense prior to completion of the construction.

1B-23 INSPECTION AND ACCEPTANCE

a. The work will be conducted under the general direction of the Architect and is subject to inspection by his appointed inspectors to ensure strict compliance with the terms of the Contract. No inspector is authorized to change any provision of the Specifications without written authorization of the Owner, nor shall the presence or absence of an inspector relieve the Contractor from any requirements of the Contract. The Architect and/or his representative shall at all times have access to the work wherever it is in preparation or progress, and the Contractor shall provide proper facilities for such access and for inspection.

b. If the Specifications, the Architect's instructions, laws, ordinances or any public authority require any work to be specially tested or approved, the Contractor shall give the Architect timely notice of its readiness for inspection and, if the inspection is by another authority other than the Architect, of the date fixed for such inspection. Inspections by the Architect shall be promptly made, and where practicable at the source of supply. If any work should be covered up without approval or consent of the Architect, it must be, if required by the Architect, uncovered for examination at the Contractor's expense. The Architect may order re-examination of questioned work and, if so ordered, the work must be uncovered by the Contractor.

c. Upon completion of work, the Contractor will inspect the entire project; make a list of all deficiencies and forward to the Architect. Following correction of all these items, the Contractor, the Architect, and the Owner will conduct a joint inspection of the project. The Contractor will compose a list of deficiencies, details for correction, a timetable for correction, and a Schedule of Values and submit to the Architect for approval. The Architect shall submit this Schedule of Values to the Owner for approval, and upon Request For Payment by the Contractor, the Owner shall **withhold the amount** of this Schedule of Values until the work is complete, in addition to any other retainage.

d. Following Partial Acceptance or Final Acceptance by the Owner, the Owner will issue a Partial Acceptance or Final Acceptance "Notice" through the Architect to the Contractor. The Contractor will, at his own expense, record the Acceptance with the Recorder of Mortgages in the Parish in which the contract is recorded. Should a Partial Acceptance be issued, a Final Acceptance will be issued upon the completion of the punch list. Following the 45-day lien period, and completion of all punch list items, the final payment will be processed in accordance with 1B-24.

1B-24 PAYMENTS

a. **Monthly**, the Contractor **shall submit to the Architect**, an itemized application and Certification for Payment, AIA Documents G702-G702A, notarized if required, supported by such data substantiating the Contractor's right to payment as the Owner or the Architect may require. The payment request must include the date of the application and contract numbers. Application for Payment shall be submitted on or about the first of each month for the value of labor and materials incorporated in the work and of material suitably stored at the site as of the twenty-fifth (25th) day of the preceding month, less normal retainage as follows:

1. Projects with Contract price up to and including \$500,000 - ten (10%) percent.
2. Projects with Contract price exceeding \$500,000 - five (5%) percent.

The normal retainage shall not be due the Contractor until expiration of the forty-five (45) day lien period and submission to the Architect of a clear Lien Certificate, and an invoice for same.

b. Unless otherwise provided in the Contract Documents, payments will be made on account of materials or equipment not incorporated in the work but delivered and suitably stored at the site and, if approved in advance by the Owner, payments may similarly be made for materials or equipment suitably stored at some other location agreed upon in writing. Payments for materials or equipment stored on or

off the site shall be conditioned upon submission by the Contractor of bills of sale or such other procedures satisfactory to the Owner to establish the Owner's title to such materials or equipment or otherwise protect the Owner's interest, including applicable insurance and transportation to the site for those materials and equipment stored off the site.

c. The Contractor warrants that title to all work, materials and equipment covered by the Application for Payment will pass to the Owner either by incorporation in the construction or upon the receipt of payment by the Contractor, whichever occurs first, free and clear of all liens, claims, security interests or encumbrances, hereinafter referred to as "liens"; and that no work, materials or equipment covered by an Application for Payment will have been acquired by the Contractor, or by any other person performing work at the site or furnishing materials and equipment for the Project, subject to an agreement under which an interest therein or an encumbrance thereon is retained by the seller or otherwise imposed by the Contractor or such other person.

d. The Architect will, within seven (7) days after receipt of the Contractor's Application for Payment, either issue a Certificate for Payment to the Owner's Project Manager, with a copy to the Contractor, for such amount as the Architect determines is properly due, or notify the Contractor in writing his reasons for withholding a Certificate.

e. This issuance of a Certificate for Payment will constitute a representation by the Architect to the Project Manager, based on his observations at the site and the data comprising the Application for Payment, that the Work has progressed to the point indicated; that, to the best of his knowledge, information and belief, the quality of the Work is in accordance with the Contract Documents (subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to the result of any subsequent tests required by or performed under the Contract Documents, to minor deviations from the Contract Documents correctable prior to completion, and to any specific qualifications stated in his Certificate); and that the Contractor is entitled to payment in the amount certified. However, by issuing a Certificate for payment, the Architect shall not thereby be deemed to represent that he has made exhaustive or continuous on-site inspections to check the quality of the work or that he has reviewed the construction means, methods, techniques, sequences or procedures, or that he has made any examination to ascertain how or for what purpose the Contractor has used the moneys previously paid on account of the Contract Sum.

f. Upon receipt of a payment request by the Contracting Officer, **certified by the Architect and approved by the Owner's Project Manager Management Office Project Manager**, the Owner shall make payment to the Contractor no later than thirty (30) days from the date received, in amount verified by the Architect, Project Manager and Contracting Officer.

g. The Contractor shall promptly pay each Subcontractor, upon receipt of payment from the Owner, out of the amount paid to the Contractor on account of such Subcontractor's work, the amount to which said Subcontractor is entitled, reflecting the percentage actually retained, if any, from payments to the Contractor on account of such Subcontractor's work. The Contractor shall, by an appropriate agreement with the Subcontractor, require each Subcontractor to make payments to his Sub-subcontractors in a similar manner.

h. The Architect may, on request and at his discretion, furnish to any Subcontractor, if practical, information regarding the percentages of completion or the amounts applied for by the Contractor and

the action taken thereon by the Architect on account of Work done by such Subcontractor.

i. Neither the Owner nor the Architect shall have the obligation to pay or to see to the payment of any moneys to any subcontractor except as may otherwise be required by law.

j. No Certificate for a progress payment, nor any progress payment, nor any partial or entire use or occupancy of the project by the Owner, shall constitute an acceptance of any work not in accordance with the Contract Documents.

1B-25 PAYMENTS WITHHELD

a. The Architect may withhold or, on account of subsequently discovered evidence, nullify as may be necessary to protect the Owner from loss on the account of:

1. Defective work not remedied.
2. Claims filed or reasonable evidence indicating probable filing of claims.
3. Failure of the Contractor to make payment properly to Subcontractors or for material or labor.
4. A reasonable doubt that the Contract can be completed for the balance then unpaid.
5. Damage to another Contractor.

b. The Contracting Officer may withhold or cause to be withheld from the State prime Contractor so much of the accrued payment or advances as may be considered necessary (i) to pay laborers and mechanics, including apprentices, trainees, watchmen and guards, employed by the Contractor or any Subcontractor on the work, the full amount of wages required by the Contract, and (ii) to satisfy any liability of the Contractor and any Subcontractor for liquidated damages under paragraph (b) of the clause entitled CONTRACT WORK HOURS AND SAFETY STANDARDS ACT-OVERTIME COMPENSATION.

c. If the Contractor or any Subcontractor fails to pay any laborer, mechanic, apprentice, trainee, watchmen, or guard employed or working on the site of the Work, all or part of the wages required by the Contract, the Contracting Officer may, after written notice to the State Prime Contractor, take such action as may be necessary to cause suspension of any further payments or advances until such violations have ceased.

1B-26 APPROVAL

Any contract awarded as the result of this invitation for bids may be subject to the approval of the Chief, National Guard Bureau, Washington, D.C., shall not be binding until so approved.

1B-27 DAMAGE TO WORK

The Contractor shall be responsible for all work until completion and final acceptance thereof. However, if, in the judgment of the Owner, any part of the permanent work performed by the Contractor is damaged by flood, which damage is not due to the failure of the Contractor to take reasonable

precaution or to exercise sound engineering and construction practices in the conduct of the work, additional payment for the repair of such damaged permanent work as ordered by the Owner may be made at the applicable Contract unit or lump sum prices as fixed and established in the Contract, which shall be full compensation therefore. If, in the opinion of the Owner, there are no Contract unit or lump sum prices applicable to a part of such work, an equitable amount pursuant to Article 3, "Changes", of the Contract will be made as full compensation for the repairs of that part of the permanent work which there are no applicable Contract or lump sum prices. Except as herein provided, damage to all work (including temporary construction), utilities, materials, equipment and plant shall be repaired to the satisfaction of the Owner at the Contractor's expense regardless of the cause of such damage.

1B-28 GUARANTEE OF MATERIAL AND WORKMANSHIP

a. The Contractor shall be held responsible for and must correct and rectify, at his own expense, all defects discovered in the work with one (1) year from the date of final acceptance of the Contract and its acceptance by the State. It is the intent and purpose of this Contract, and it shall be the obligation of the Contractor, to construct rainproof and leakproof walls and exterior openings and the Contractor shall and will, therefore, assume full responsibility for the accomplishment of this condition and shall at his own cost, use whatever means that may be required to make same. All remedial measures are to meet with the approval of the Owner.

b. If, within any guarantee period, repairs or changes are required in connection with guaranteed work which, in the opinion of the Architect, is rendered necessary as the result of the use of materials, equipment, or workmanship which are inferior, defective, or not in accordance with the terms of the Contract, or from omissions of work specifically required by the plans and/or the Specifications, the Contractor shall, promptly upon the receipt of notice from the Owner, and without expense to the Owner:

1. Place in satisfactory condition in every particular all such guaranteed work, correct all defects herein;
2. Make good all damages to the building or site, or equipment or contents thereof, which, in the opinion of the Architect is the result of the use of materials, equipment, or workmanship which are inferior, defective, or not in accordance with the terms of the Contract; and,
3. Make good any work or material, or the equipment and contents of said building or site disturbed in fulfilling any such guarantees.

c. In any case wherein fulfilling the requirements of the contract or of any guarantee, embraced in or required thereby, the Contractor disturbs any work guaranteed under another Contract, he shall restore such disturbed work to a condition satisfactory to the Architect, and guarantee such restored work to the same extent as it was guaranteed under such other Contract.

d. If the Contractor, after notice, fails to proceed promptly to comply with the terms of the guarantee, the Owner may have the defects corrected and the Contractor and his surety shall be liable for

all expenses incurred.

e. All special guarantees applicable to definite parts of the work that may be stipulated in the Specifications or other papers forming a part of the Contract shall be subject to the terms of this paragraph during the first year of the life of such special guarantee.

f. If in the opinion of the Contractor that any workmanship, materials or installation required in the Drawings and Specifications be of such a nature as to render this guarantee impossible, notice to this effect must be served in writing to the Owner previous to submission of bid; failure to do so will be construed as a tacit agreement to the strictest terms of this guarantee.

g. Prior to the expiration of the warranty period, the Contractor, Architect and Owner will conduct a joint inspection to determine items to be corrected by the Contractor. Following issuance of a list of deficiencies, the Contractor will diligently correct all work deemed to be warranty items.

1B-29 SPECIAL DESIGNS

a. Bids based on plans and specifications for work involving special designs or material departures from advertised Plans and Specifications of form standards previously approved by the Owner, provided the bidder clearly states such differences, and that all essential requirements of the advertised standard Plans and Specifications are strictly adhered to; and provided further that the bidder otherwise qualified under the terms of the invitation for bids and the advertised specifications.

b. If the plans offered under these provisions are, in the opinion of the Owner, equal to or better than those specified by the Owner, they will be given consideration. Where a statement of departure is not made, it will be understood that the Plans and Specifications offered will be in strict accordance with the standard Plans and Specifications referred to in the invitation to bids.

1B-30 ROYALTIES AND PATENTS

The Contractor shall pay all royalties and license fees. He shall defend all suits of claims for infringement of any patent rights and shall save the Owner harmless from loss on account thereof, except that the Owner shall be responsible for all such loss when a particular process or the product of a particular manufacturer or manufacturers is specified, but if the Contractor has information that the process or article specified is an infringement of a patent he shall be responsible for such loss unless he promptly gives such information to the Architect or Owner.

1B-31 PERMITS AND REGULATIONS

a. Permits and licenses of a temporary nature necessary for the execution of the work shall be secured and paid for by the Contractor. Permits, licenses and easements for permanent structures or permanent changes in existing facilities shall be secured and paid for by the Contractor, unless otherwise specified.

b. The Contractor shall give all notices and comply with all laws, ordinances, rules and regulations bearing on the conduct of the work as drawn and specified. If the Contractor observes that the Drawings and Specifications are at variance therewith, he shall promptly notify the Architect in

writing, and any necessary changes shall be adjusted as provided in the Contract for changes in the Work. Contractor performs any Work knowing it to be contrary to such laws, ordinances, rules and regulations, and without such notice to the Architect, he shall bear all cost arising therefrom.

1B-32 SUPERINTENDENT, SUPERVISION

a. The Contractor shall keep on his work during its progress a competent superintendent and any necessary assistants, all satisfactory to the Architect. The superintendent shall not be changed except with the consent of the Architect unless the superintendent proves to be unsatisfactory to the Contractor and ceases to be in his employ. The superintendent shall represent the Contractor in his absence, and all directions given to him shall be as binding as if given to the Contractor. Important directions shall be confirmed in writing to the Contractor. Other directions shall be so confirmed on written request in each case.

b. The Contractor shall give efficient supervision to the work, using his best skill and attention. He shall carefully study and prepare all drawings, specifications and other instructions and shall at once report to the Architect any error, inconsistency or omission which he may discover; but shall not be held responsible for their existence or discovery.

1B-33 CHANGES, EXTRAS, AND CHANGE ORDERS

a. The Contracting Officer may at any time, in writing, and without notice to the sureties, order extras or make changes in the Drawings and/or Specifications of this Contract, providing such extras or changes are within the general scope thereof. If any such extra or change causes an increase or decrease in the amount due under this Contract, or in the time required for its performance, an equitable adjustment shall be made, and the contract shall be modified in writing. Federal funding support for any change or extra is subject to prior approval by the Chief, National Guard Bureau, of his duly authorized representative. Any claim of the Contractor for adjustment under this clause must be asserted in writing within thirty (30) days after the date of receipt by the Contractor of the notification of extra or change: Provided, however, that the Contracting Officer, if he decides that the facts justify such action, may require and act upon any such claim asserted at any time prior to the date of final settlement of the contract.

b. The cost to the Owner resulting in a change in the work shall be based on an itemized list of material and labor costs of work done by the General Contractor, Subcontractor, and/or Sub-subcontractor. "Cost of Work" for the purpose of Change Orders shall be costs required to be incurred in performance of the work and paid by the Contractor and Subcontractors which shall consist of:

1. Wages paid direct labor personnel, delineating a labor burden markup for applicable payroll taxes, worker's compensation insurance, unemployment compensation, and social security taxes.
2. Cost of all materials & supplies, including the identification of each item and its cost.
3. Identify each necessary piece of machinery & equipment and its individual cost.
4. Other documented direct cost.

c. The Contractor and Subcontractor shall be due job-site and home office fixed "overhead and

profits” on the Cost of the Work, but shall not exceed a total of 25% of the direct cost of any portion of work. The cost to the Owner resulting from a change in the work shall be the sum of: “Cost of the Work (as defined above) and Overhead and profit (as defined above) and shall be computed as follows:

1. When work is all General Contractor work, 15% markup on the cost of work.
2. When the work is all Subcontract work, 15% markup on the Cost of the work for Subcontractor’s Overhead and Profit, plus 10% markup on the Cost of the Work, not including the Subcontractor’s Overhead and Profit markup, for the General Contractor’s Overhead and Profit.
3. When the work is a combination of General Contract work and Subcontract work; that portion of the direct cost that is General Contract work shall be computed per #1 above and that portion of the direct cost that is subcontract work shall be computed per # 2 above.

d. Bond Premiums may be included, but after the markup is added to the cost of the work

e. If the parties fail to agree upon the adjustment to be made, the dispute shall be determined as provided in the clause entitled DISPUTES. Nothing provided in this clause, however, shall excuse the Contractor from proceeding with the prosecution of the work as changed. Except as otherwise herein provided, no charge for any extra work or material will be allowed.

1B-34 CHANGED CONDITIONS

The Contractor shall promptly, and before such conditions are disturbed, notify the Contracting Officer in writing of: (1) subsurface or latent physical conditions at the site differing materially from those indicated in this Contract, or (2) unknown physical conditions at the site, of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Contract. The Contracting Officer shall promptly investigate the conditions, and if he finds that such conditions differ materially from those indicated in this Contract, or (2) unknown physical conditions at the site, of an unusual nature, differing materially from those indicated in this Contract, or (2) unknown physical conditions at the site, of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this contract. The Contracting Officer shall promptly investigate the conditions, and if he finds that such conditions do so materially differ and cause an increase in the cost of (or the time required for), performance of this Contract, an equitable adjustment shall be made, and the contract modified in writing. Federal funding support to any change or extra is subject to prior approval by the Chief, National Guard Bureau, or his duly authorized representative. Any claim of the Contractor for adjustment hereunder shall not be allowed unless he has given notice as above required, provided, that the Contracting Officer may, if he determines the facts so justify, consider and adjust any such claim asserted before the date of final settlement of the Contract. If the parties fail to agree upon the adjustment to be made, the dispute shall be determined as provided in clause entitled DISPUTES.

1B-35 CLAIMS FOR EXTRA COST

If the Contractor claims that any instructions by Drawings involve extra cost under this Contract, he shall give the Architect written notice thereof within a reasonable time after the receipt of such instructions, and in any event before proceeding to execute the work, except in emergency endangering

life or property, and the procedure shall then be as provided for changes in the work. No such claim shall be valid unless so made.

1B-36 DEDUCTIONS FOR UNCORRECTED WORK

If the Architect and Owner deem it inexpedient to correct work injured or done not in accordance with the Contract, an equitable deduction from the price shall be made therefore.

1B-37 CORRECTION OF WORK BEFORE FINAL PAYMENT

a. The Contractor shall promptly remove from the premises all materials condemned by the Architect as failing to conform to the Contract, whether incorporated in the work or not, and the Contractor shall promptly replace and re-execute his own work in accordance with the Contract and without expense to the Owner and shall bear the expense of making good all work of other contractors destroyed or damaged by such removal or replacement.

b. If the Contractor does not remove such condemned work and materials within a reasonable time, fixed by written notice, the Owner may remove them and may store the material at the expense of the Contractor. If the Contractor does not pay the expenses of such removal within ten (10) day time thereafter, the Owner may, upon ten (10) days written notice, sell such materials at auction or at a private sale and shall account for the net proceeds thereof, after deducting all the cost and expenses that should have been borne by the Contractor.

1B-38 THE OWNER'S RIGHT TO DO WORK

If the Contractor shall neglect to prosecute the work properly or fail to perform any provision of this Contract, the Owner, after three (3) days written notice to the Contractor may without prejudice to any remedy he may have, make good such deficiencies and may deduct the cost thereof from the payment then or thereafter due the Contractor, provided however, the Architect shall provide both such action and the amount charged to the Contractor.

1B-39 TERMINATION FOR DEFAULT-DAMAGES OR DELAY

a. If the Contractor refuses or fails to prosecute the work, or any separate part thereof, with such diligence as will ensure its completion within the time specified in this Contract, or any extension thereof, or fails to complete said work within such time, the State may, by written notice to the Contractor, terminate his right to proceed with the work or such part of the work as to which there has been delay. In such event the State may take over the work and prosecute the same to completion, by Contract or otherwise, and the Contractor and his sureties shall be liable to the State for any excess cost occasioned the State thereby, and for liquidated damages for delay, as fixed in the specifications or accompanying papers, until such reasonable time as may be required for the final completion of the work; or, if liquidated damages are not so fixed, any actual damages occasioned by such delay. If the Contractor's right to proceed is so terminated, the State may take possession of and utilize in completing the work such materials, appliances and plant as may be on the site of the work and necessary therefore.

b. If the State does not terminate the right of the Contractor to proceed, as provided in

subparagraph "a" hereof, the Contractor shall continue the work, in which event he and his sureties shall be liable to the State, in the amount set forth in the specifications or accompanying papers, for the fixed agreed, liquidated damages for each calendar day of delay until the work is completed or accepted; or if liquidated damages are not so fixed, any actual damages occasioned by the delay.

c. The right of the Contractor to proceed shall not be terminated, as provided in subparagraph "a" hereof, nor the Contractor charged with liquidated or actual damages, as provided in subparagraph "b", because of any delays in the completion of the work due to causes beyond his control which could not have been anticipated and where without his fault or negligence, including but not restricted to, acts of God, acts of the public enemy, acts of the Federal Government or of the State (either in its sovereign or contractual capacity), acts of another Contractor in the performance of a contract with the State, guarantee restrictions, strikes, freight embargoes, or unusually severe weather; or, delays of subcontractors or supplies at any tier, provided, that the Contractor shall, within ten (10) days after the beginning of any delay, unless the Contracting Officer shall grant a further period of time prior to the date of final settlement of the contract, notify the Contracting Officer in writing of the cause of delay. The Contracting Officer shall ascertain the facts and the extent of the delay and the extent of time for completing the work when in his judgment the findings of fact justify such an extension, and his findings of facts thereon shall be final and conclusive on the parties hereto, subject only to appear as provided in the DISPUTES clause hereof.

1B-40 CONTRACTOR'S RIGHT TO STOP WORK OR TERMINATE CONTRACT

If the work should be stopped under an order of any court, or other public authority for a period of three (3) months, through no act or fault of the Contractor or of anyone employed by him, or if the Architect should fail to issue any certificate for payment within seven (7) days after it is due, or the Owner should fail to pay to the Contractor within seven (7) days of its maturity and presentation, any sum certified by the Architect or awarded by arbitrators, then the Contractor may, upon seven (7) days written notice to the Owner and the Architect, stop all work or terminate this Contract and recover from the Owner payment for all work executed and any loss sustained upon any plant or materials and reasonable profit and damage.

1B-41 DAMAGES

a. If either party to this Contract should suffer damage in any manner because of any wrongful act or neglect of the other party or of anyone employed by him, then he shall be reimbursed by the other party for such damage.

b. Claims under this clause shall be made in writing to the party liable within a reasonable time at the first observance of such damage and not later than the time of final payment, except as expressly stipulated otherwise in the case of faulty work or materials, and shall be adjusted by agreement or arbitration.

1B-42 LIENS

Neither the final payment nor any part of the retained percentages shall become due until the Contractor, if required, shall deliver to the Owner a complete release of all liens arising out of this

Contract, or receipt in full in lieu thereof and if required in either case, an affidavit that so far as he has knowledge or information the releases and receipts including all the labor and materials for which a lien could be filed; but the Contractor may, if any subcontractor refuses to furnish a release or receipt in full, furnish a bond satisfactory to the Owner to indemnify him against any lien. If the lien remains unsatisfied after all payments are made, the Contractor shall refund to the Owner all moneys that the latter may be compelled to pay in discharging such a lien, including all cost and reasonable attorney's fee.

1B-43 MUTUAL RESPONSIBILITY OF CONTRACTORS

Should the Contractor cause damage to any other Contractor or the work the Contractor agrees upon due notice to settle with such Contractor by agreement or arbitration, if he will settle. If such other Contractor sues the Owner on account of any damages alleged to have been so sustained, the Owner shall notify the Contractor who shall defend such proceedings at the Owner's expense and, if any judgment against the Owner arise, the Contractor shall pay or satisfy it and pay all costs incurred by the Owner.

1B-44 ASSIGNMENT

Neither party to the Contract shall assign the contract or sublet it as a whole without the written consent of the other, nor shall the Contractor assign any moneys due or to become due to him hereunder without the previous written consent of the Owner.

1B-45 TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT

a. The State may, by written notice, through the Architect, to Contractor, terminate the Contract for the convenience of the Government. Such notice will be in writing and will afford the Contractor ample time to complete work in progress, to clean-up the site, secure all Contractor owned equipment and turn materials at the site and stored elsewhere over to the Owner.

b. Payment will be made to the Contractor for all work completed and materials stored as of the date of termination. The Contractor shall submit final payment through the Architect, who will verify, in writing as to the accuracy of the claim.

1B-46 SEPARATE CONTRACTS

a. The Owner reserves the right to let other Contracts in connection with this work. The Contractor shall afford other contractors reasonable opportunity for the introduction and storage of their materials and the execution of their work, and shall properly connect and coordinate his work with theirs.

b. If any part of the Contractor's work depends on proper execution or results upon the work of any Contractor, the Contractor shall inspect and promptly report to the Architect any defects in such work that render it unsuitable for such proper execution and results. His failure to so inspect and report shall constitute an acceptance of the other Contractor's work as fit and proper for the reception of his

work, except as to defects which may develop in the other Contractor's work after the execution of his work.

c. To ensure the proper execution of his subsequent work the Contractor shall measure work already in place and shall at once report to the Architect any discrepancy between the executed work and the drawings.

1B-47 ARCHITECT'S STATUS

The Architect shall have general oversight and observation of the work. He is the representative of the Owner and work is under his general oversight as the Owner representative only to the extent he is authorized by the Owner so to act, and in such instances he shall, upon request, show the Contractor written authority. He has authority to stop the work whenever such stoppage may be necessary to ensure the proper execution of the Contract. The Architect is to ensure that the Contractor conforms to the Plans and Specifications.

1B-48 ARCHITECT'S DECISIONS

a. The Architect shall, within a reasonable time, make decisions on all claims of the Owner or Contractor and on all matters relating to the execution and progress of the Work or the interpretation of the Contract Documents.

b. Except as above or as otherwise expressly provided in the Contract Documents, all the Architect's decisions are subject to arbitration.

1B-49 DISPUTES

a. Except as otherwise specifically provided in this Contract, and except as otherwise specifically provided by the State procedure for arbitration or other State procedure established by State law, any disputes concerning a question of facts arising under this Contract which is not disposed of by mutual agreement shall be decided by the Contracting Officer, who shall reduce his decision to writing and send by registered mail, return receipt requested, a copy thereof to the Contractor at his address shown herein. Within thirty (30) days after the date of receipt of such copy, the Contractor may appeal in writing to the Governor of this State, whose written decision thereon, or that of his designated representatives, shall, unless determined by a court of competent jurisdiction to have been fraudulent or capricious or arbitrary or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence, be final and conclusive, provided that if no such appeal is taken, the decision of the Contracting Officer shall be final and conclusive. The Governor of this State may designate an individual or individuals other than the Contracting Officer, or a board, as his authorized representative to determine appeals under this Article. In connection with any appeal proceeding under this clause, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of his appeal. Pending final decision of a dispute hereunder, the Contractor shall proceed diligently with the performance of the Contract and in accordance with the Contracting Officer's decision. Any sum or sums allowed to the Contractor under the provisions of this Article or under the State arbitration proceedings or under State procedure shall be paid for by this State.

b. Disputes concerning Labor Standards - Disputes arising out of the labor standards provisions of this Contract shall be subject to the subparagraph "a" above except to the extent such disputes involve the meaning of classification or wage rates contained in the wage determination decision of the Secretary of Labor or the applicability of the labor provisions of this Contract which questions shall be referred to the Secretary of Labor in accordance with the procedures of the Department of Labor.

1B-50 STANDARDS

a. Any material specified by reference to the number symbol title of a specific standard, such as a Commercial Standard, a Federal Specification, a trade association standard, or other similar standard, shall comply with the requirements in the latest revision thereof and any amendment or supplement thereto in effect on the date of Invitation for Bids, except as limited to type, class or grade, or modified in such reference.

b. The standards referred to, except as modified in the Specifications, shall have full force and effect as though printed in the Specifications. These standards are not furnished to bidders for the reason that the manufacturers and trades involved are assumed to be familiar with the requirements. The Architect will furnish, upon request, information as to how copies of the standards referred to may be obtained.

c. Reference in the Specifications to any article, device, product, material, fixture, form, or type of construction by name, make or catalogue number shall be interpreted as establishing a standard of quality and not be construed as limiting competition. Substitutions must be submitted in writing, and written approval by the Architect and Owner must be issued prior to the Contractor taking any action to deviate from the specifications. In all events, substitutions must equal or exceed the specific standard.

1B-51 TAXES

The Contractor shall, without additional expense to the Owner, pay all applicable Federal, State, and local sales and other taxes, except taxes and assessments on the real property comprising the site of the project.

1B-52 MEASUREMENTS

Before ordering any material or doing any work, each Contractor shall verify all measurements of the building and shall be responsible for the correctness of same. No extra charge for compensation will be allowed on account of difference between actual dimensions and the measurements indicated on the Drawings; any difference which may be found shall be submitted to the Architect for consideration before proceeding with the work.

1B-53 STORAGE AND CARE OF MATERIALS

The Contractor shall so store, pile, and arrange his materials that they will not be damaged by the elements, by contact with the ground or from other causes. He shall provide any and all protective coverings necessary for this purpose. Storage of materials shall be confined to those areas especially designed by the Architect. Should any materials become damaged from any cause, they shall be

immediately removed from the site upon the direction of the Architect.

1B-54 RECORDING OF DOCUMENTS

The contract, Performance Bond, Payment Bond and Acceptance shall be recorded by the Contractor, such recording cost being paid by the Contractor.

1B-55 OWNER'S OCCUPANCY

During the progress of the work and/or prior to the final acceptance of the complete project, the Owner reserves the right to place in the building certain items of the Owner's property; or to occupy portions of the building, including, subject to equitable adjustment, access facilities, utilities and services necessary for such partial occupancy. Such action shall not be construed as evidence of the completion of the work or any portion of it or as an acceptance of the work or any part of it by the Owner except as otherwise specified; provided, however, that such partial occupancy shall not delay nor obstruct the completion of the project by the Contractor.

1B-56 SURVEY OF OUTSIDE UTILITY LINES

Upon completion of the project, the Contractor shall furnish the Architect a print of the site showing any deviation in the location of utility lines from those shown on the original Contract Drawings and including any additions to the utility services.

1B-57 FAILURE TO COMPLETE ON TIME - LIQUIDATED DAMAGES

a. For each Contract day that any work shall remain uncompleted after the Contract completion date time specified in the Contract, the sum specified below will be deducted from any money due the Contractor, not as a penalty but as liquidated damages.

b. Permitting the Contractor to continue and finish the work or any part of it after the time fixed for its completion, or after the date to which the time for completion may have been extended, will in no way operate as a waiver on the part of the Owner of any of its rights under the Contract.

c. Based on the amount of the original Contract, the following charges per Contract day will be made for each such day after the expiration of the contract time or extended Contract time, as the case may be:

<u>Original Contract Amount</u>		<u>Daily Charge</u>
For More Than	To and Including	Contract Day
\$0	\$50,000	\$50.00
\$50,000	\$100,000	\$100.00
\$100,000	\$300,000	\$175.00
\$300,000	\$500,000	\$200.00
\$500,000	\$800,000	\$400.00
\$800,000	\$1,000,000	\$600.00
\$1,000,000	\$2,000,000	\$700.00
\$2,000,000	-----	To be determined

d. The amount of liquidated damages, determined as provided above, will be deducted from any money due the Contractor under this Contract, and the Contractor and his surety shall be liable for any liquidated damages in excess of the amount due the Contractor.

1B-58 EQUAL OPPORTUNITY

(a) The Contractor and all Subcontractors shall not discriminate against any employee or applicant for employment because of race, creed, color, 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 their race, creed, color or national origin. Such action shall include but not limited to the following: Employment upgrading, demotion or transfer; recruitment advertising; lay-off 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 Owner setting forth the provisions of this non-discrimination clause.

(b) The Contractor and all Subcontractors shall, in all solicitations or advertisements for employees placed by on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color or national origin.

SUPPLEMENTARY CONDITIONS

These Supplementary Conditions modify, change, delete from or add to the General Conditions of the Contract for Construction, AIA Document A201, 2007 Edition. Where any Article of the General Conditions is modified or any Paragraph, Subparagraph or Clause thereof is modified or deleted by these supplements, the unaltered provisions of that Article, Paragraph, Subparagraph or Clause shall remain in effect.

Articles, Paragraphs, Subparagraphs or Clauses modified or deleted have the same numerical designation as those occurring in the General Conditions.

ARTICLE 1

GENERAL PROVISIONS

1.1 BASIC DEFINITIONS

1.1.1. THE CONTRACT DOCUMENTS

In Subparagraph 1.1.1 delete the third sentence, and add the following sentence:

The Contract Documents shall include the Bid Documents as listed in the Instructions to Bidders and any modifications made thereto by addenda.

1.5 OWNERSHIP AND USE OF DRAWINGS, SPECIFICATIONS AND OTHER INSTRUMENTS OF SERVICE [REFER TO R.S. 38:2317]

1.5.1 Delete the first sentence of the paragraph.

1.5.1 In the third sentence: delete the remainder after the word “publication”.

ARTICLE 2

OWNER

2.2 INFORMATION AND SERVICES REQUIRED OF THE OWNER

2.2.1 Delete this paragraph.

2.2.2 In the first sentence, delete: all before “...the Owner shall secure...”

ARTICLE 3

CONTRACTOR

3.4 LABOR AND MATERIALS

3.4.2 Delete this paragraph.

3.4.3 Delete this paragraph and substitute with the following:

Contractor and its employees, officers, agents, representatives, and Subcontractors shall conduct themselves in an appropriate and professional manner, in accordance with the Owner's requirements, at all times while working on the Project. Any such individual who behaves in an inappropriate manner or who engages in the use of inappropriate language or conduct while on Owner's property, as determined by the Owner, shall be removed from the Project at the Owner's request. Such individual shall not be permitted to return without the written permission of the Owner. The Owner shall not be responsible or liable to Contractor or any Subcontractor for any additional costs, expenses, losses, claims or damages incurred by Contractor or its Subcontractor as a result of the removal of an individual from the Owner's property pursuant to this paragraph. The Contractor shall not permit employment of unfit persons or persons not properly skilled in tasks assigned to them.

3.7 PERMITS, FEES, NOTICES, AND COMPLIANCE WITH LAWS (R.S. 40:1724[A])

3.7.1 Delete Subparagraph 3.7.1

3.7.2 In paragraph 3.7.2, replace the word "public" with the word "State".

Delete Subparagraph 3.7.5 and substitute the following:

3.7.5 If, during the course of the Work, the Contractor discovers human remains, unmarked burial or archaeological sites, burial artifacts, or wetlands, which are not indicated in the Contract Documents, the Contractor shall follow all procedures mandated by State and Federal law, including but not limited to L.R.S. 8:671 et seq., R.S. 49:213.1 et seq., and Sections 401 & 404 of the Federal Clean Water Act. Request for adjustment of the Contract Sum and Contract Time arising from the existence of such remains or features shall be submitted in writing to the Owner pursuant to the Contract Documents.

3.8 ALLOWANCES

Delete Subparagraph 3.8.1, 3.8.2, and 3.8.3 in their entirety and add the following new Subparagraph 3.8.1:

3.8.1 Allowances shall not be made on any of the Work.

3.9 SUPERINTENDENT

3.9.1 Add the following to the end of the paragraph: Important communications shall be confirmed in writing. Other communications shall be similarly confirmed on written request in each case.

3.10 CONTRACTOR'S CONSTRUCTION SCHEDULES

3.10.1 Add the following: For projects with a contract sum greater than \$1,000,000.00, the Contractor shall include with the schedule, for the Owner's and Architect's information,

a network analysis to identify those tasks which are on the critical path, i.e. where any delay in the completion of these tasks will lengthen the project timescale, unless action is taken. A revised schedule shall be submitted with each Application and Certificate for Payment. No payment will be made until this schedule is received.

- 3.10.3 Delete the word "...general..." Add the following: If the Work is not on schedule, as determined by the Architect, and the Contractor fails to take action to bring the Work on schedule, then the Contractor shall be deemed in default under this Contract and the progress of the Work shall be deemed unsatisfactory. Such default may be considered grounds for termination by the Owner for cause in accordance with 14.2.
- 3.10.4 Add the following: Submittal by the contractor of a schedule or other documentation showing a completion date for his Work prior to the completion date stated in the contract shall not impose any obligation or responsibility on the Owner or Architect for the earlier completion date.
- 3.10.5 Add the following: In the event the Owner employs a commissioning consultant, the Contractor shall cooperate fully in the commissioning process and shall require all subcontractors and others under his control to cooperate. The purpose of such services shall be to ensure that all systems perform correctly and interactively according to the provisions of the Contract Documents.

3.11 DOCUMENTS AND SAMPLES AT THE SITE

Add the following: This requirement is of the essence of the contract. The Architect shall determine the value of these documents and this amount shall not be approved for payment to the Contractor until all of the listed documents are delivered to the Architect in good order, completely marked with field changes and otherwise complete in all aspects.

ARTICLE 4

ARCHITECT

4.1 GENERAL

Delete Subparagraph 4.1.1 and substitute the following:

4.1.1 The term Architect, when used in the Contract Documents, shall mean the prime Designer (Architect, Engineer or Landscape Architect), or his authorized representative, lawfully licensed to practice architecture, engineering or landscape architecture in the State of Louisiana, identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number.

4.1.3 Delete the words: "as to whom the Contractor has no reasonable objection and"

4.2 ADMINISTRATION OF THE CONTRACT

4.2.1 In the first sentence, delete the phrase: "the date the Architect issues the final Certificate for Payment" and replace with the phrase "final payment is due, and with the

Owner's concurrence, from time to time during the one year period for correction of Work described in Section 12.2."

- 4.2.2 In the first sentence, after the phrase: "become generally familiar with"; insert the following: "and to keep the Owner informed about."

In the first sentence, after the phrase "portion of the Work completed", insert the following: "to endeavor to guard the Owner against defects and deficiencies in the Work,"

- 4.2.10 Add the following sentence to the end of Subsection 4.2.10:

There will be no restriction on the Owner having a Representative.

- 4.2.11 Add the following sentence to the end of Subsection 4.2.11:

If no agreement is made concerning the time within which interpretation required of the Architect shall be furnished in compliance with this Section 4.2, then delay shall not be recognized on account of failure by the Architect to furnish such interpretation until 15 days after written request is made for them.

- 4.2.14 Insert the following sentence between the second and third sentences of Subsection 4.2.14:

If no agreement is made concerning the time within which interpretation required of the Architect shall be furnished in compliance with this Section 4.2, then delay shall not be recognized on account of failure by the Architect to furnish such interpretation until 15 days after written request is made for them.

ARTICLE 5

SUBCONTRACTORS

5.2 AWARD OF SUBCONTRACTS AND OTHER CONTRACTS FOR PORTIONS OF THE WORK

Delete Subparagraph 5.2.1, and substitute the following:

- 5.2.1 Unless otherwise required by the Contract Documents, the Contractor shall furnish at the Pre-Construction Conference, to the Owner and the Architect, in writing, the names of the persons or entities (including those who are to furnish materials or equipment fabricated to a special design) proposed for each of the principal portions of the Work. No Contractor payments shall be made until this information is received.

Delete Subparagraph 5.2.2 and substitute the following:

- 5.2.2 The Contractor shall be solely responsible for selection and performance of all subcontractors. The Contractor shall not be entitled to claims for additional time and/or

an increase in the contract sum due to a problem with performance or non-performance of a subcontractor.

Delete Subparagraph 5.2.3 and 5.2.4 and add the following:

- 5.2.3 The contractor shall notify the Owner when a subcontractor is to be changed and substituted with another subcontractor.

5.4 CONTINGENT ASSIGNMENT OF SUBCONTRACTS

Delete Subparagraphs 5.4.1, 5.4.2 and 5.4.3

ARTICLE 7

CHANGES IN THE WORK

7.1 GENERAL

Add the following paragraph:

- 7.1.4 As part of the pre-construction conference submittals, the contractor is to submit the following prior to the commencement of Work:

Fixed job site overhead cost itemized with documentation to support daily rates.
Bond Premium Rate with supporting information from the General Contractor's carrier.
Labor Burden by trade for both Subcontractors and General Contractor.
Internal Rate Charges for all significant company owned equipment.

Failure to submit this information as part of the pre-construction submittals shall prohibit the Contractor from claiming these items as costs on any change order issued on the project.

7.2 CHANGE ORDERS

Delete Subparagraph clause 7.2.1, and substitute the following paragraphs:

- 7.2.1 A Change Order is a written order to the Contractor prepared by the Architect and signed by the Owner and the Architect, issued after execution of the Contract, authorizing a change in the Work or an adjustment in the Contract Sum or the Contract Time. The Contract Sum and the Contract Time may be changed only by Change Order. A Change Order signed by the Contractor indicates his agreement therewith, including the adjustment in the Contract Sum or the Contract Time. Any reservation of rights, stipulation, or other modification made on the change order by the contractor will have no effect.

- 7.2.2 "Cost of the Work" for the purpose of Change Orders shall be costs required to be incurred in performance of the Work and paid by the Contractor and Subcontractors which shall consist of:

- 7.2.2.1 Wages paid direct labor personnel, delineating a labor burden markup for applicable payroll taxes, worker's compensation insurance, unemployment compensation, and social security taxes.
- 7.2.2.2 Cost of all materials and supplies, including the identification of each item and its cost including taxes.
- 7.2.2.3 Identify each necessary piece of machinery and equipment and its individual cost including taxes.
- 7.2.2.4 Increases in insurance premiums for those forms of insurance required by Article 11 of these Supplementary Conditions and only for those forms.
- 7.2.2.5 Bond costs.

Credit will not be required for Overhead and Profit.

- 7.2.3 Overhead and Profit - The Contractor and Subcontractor shall be due job-site and home office fixed overhead and profits on the Cost of the Work, but shall not exceed a total of 25% of the direct cost of any portion of Work:

The credit to the Owner resulting from a change in the Work shall be the sum of those items above, except credit will not be required for Overhead and Profit. Where a change results in both credits to the Owner and extras to the Contractor for related items, overhead and profit will only be computed on the net extra cost to the Contractor.

- 7.2.4 The cost to the Owner resulting from a change in the Work shall be the sum of: Cost of the Work (as defined at 7.2.2) and Overhead and Profit (as defined at 7.2.4), and shall be computed as follows:

- 7.2.4.1 When all of the Work is General Contract Work; 15% markup on the Cost of the Work.

- 7.2.4.2 When the Work is all Subcontract Work; 15% markup on the Cost of the Work for Subcontractor's Overhead and Profit, plus 10% markup on the Cost of the Work, not including the Subcontractor's Overhead and Profit markup, for General Contractor's Overhead and Profit.

- 7.2.4.3 When the Work is a combination of General Contract Work and Subcontract Work; that portion of the direct cost that is General Contract Work shall be computed per 7.2.4.1 and that portion of the direct cost that is Subcontract Work shall be computed per 7.2.4.2.

Premiums for the General Contractor's bond may be included, but after the markup is added to the Cost of the Work.

- 7.2.4.4 Subcontract cost shall consist of the items in 7.2.2 above plus Overhead and Profit as defined in 7.2.4.

- 7.2.5 Before a Change Order is prepared, the Contractor shall provide and deliver to the Architect the following information concerning the Cost of the Work, not subject to waiver, within a reasonable time after being notified to prepare said Change Order:

A detailed itemized list of labor, material and equipment costs for the General Contractor's Work including quantities and unit costs for each item of labor, material and equipment.

An itemized list of labor, material and equipment costs for each Subcontractor's and/or Sub-Subcontractor's Work including quantities and unit costs for each item of labor, material and equipment.

- 7.2.6 After a Change Order has been approved, no future requests for extensions of time or additional cost shall be considered for that Change Order.

- 7.2.7 The Contractor will be due extended fixed job-site overhead for time delays only when complete stoppage of Work occurs causing a contract completion extension, and the Contractor is unable to mitigate financial damages through replacement Work. The stoppage must be due to acts or omissions solely attributable to the Owner. In all cases the Contractor is to notify the Architect in writing as required by Article 15.1.2. Reasonable proof may be required by the architect that alternate Work could not be performed. Reasonable proof may be required by the Architect that the stoppage affected the Completion Date.

- 7.2.8 "Cost of the Work" whether General Contract cost or Subcontract cost shall not apply to the following:

Salaries or other compensation of the Contractor's personnel at the Contractor's principal office and branch offices.

Any part of the Contractor's capital expenses, including interest on the Contractor's capital employed for the Work.

Overhead and general expenses of any kind or the cost of any item not specifically and expressly included above in Cost of the Work.

Cost of supervision not specifically required by the Change Order.

- 7.2.9 When applicable as provided by the Contract, the cost to Owner for Change Orders shall be determined by quantities and unit prices. The quantity of any item shall be as submitted by the Contractor and approved by the Architect. Unit prices shall cover cost of Material, Labor, Equipment, Overhead and Profit.

Add the following:

- 7.2.10 Unless otherwise agreed to by the Owner and Contractor, the Contractor shall submit all change order documents through the web based electronic document management system designated by Facility Planning and Control. Any fees charged by the provider of the system shall be the responsibility of the Owner. In using this system the Contractor shall strictly adhere to the naming conventions for change orders assigned by Facility

Planning and Control.

7.3 CONSTRUCTION CHANGE DIRECTIVES

7.3.3 In the first sentence after following methods add: “, but not to exceed a specified amount.”

7.3.7 Delete the following from .1 of the list: “fringe benefits required by agreement or custom,”

Delete the following from .4 of the list: “permit fees,”

Delete the following from .5 of the list: “and field office personnel”

7.3.9 Delete Subparagraph 7.3.9 and substitute the following:

Pending final determination of the total costs of a Construction Change Directive to the Owner, amounts not in dispute for such changes in the Work shall be included in Applications for Payment accompanied by a Change Order indicating the parties’ agreement with part or all of such costs.

ARTICLE 8

TIME

8.1 DEFINITIONS

Add the following:

8.1.5 The Contract Time shall not be changed by the submission of a schedule that shows an early completion date unless specifically authorized by change order.

8.2 PROGRESS AND COMPLETION

Add to Subparagraph 8.2.1 the following:

Completion of the Work must be within the Time for Completion stated in the Agreement, subject to such extensions as may be granted under Section 8.3. The Contractor agrees to commence Work not later than fourteen (14) days after the transmittal date of Written Notice to Proceed from the Owner and to substantially complete the project within the time stated in the Contract. The Owner will suffer financial loss if the project is not substantially complete in the time set forth in the Contract Documents. The Contractor and the Contractor’s Surety shall be liable for and shall pay to the Owner the sum stated in the Contract Documents as fixed, agreed and liquidated damages for each consecutive calendar day (Saturdays, Sundays and holidays included) of delay until the Work is substantially complete. The Owner shall be entitled to the sum stated in the Contract Documents. Such Liquidated Damages shall be withheld by the Owner from the amounts due the Contractor for progress payments.

Delete Subparagraph 8.2.2

8.3 DELAYS AND EXTENSIONS OF TIME

- 8.3.1 In the first sentence after the words Owner pending delete the words: “mediation and arbitration” and add the word: “litigation” and delete the last word: “determine” and add the following: “recommend, subject to Owner’s approval of Change Order. If the claim is not made within the limits of Article 15, all right for future claims for that month are waived.”

ARTICLE 9

PAYMENTS AND COMPLETION

9.2 SCHEDULE OF VALUES

Delete Subparagraph 9.2 and substitute the following:

- 9.2 At the Pre-Construction Conference, the Contractor shall submit to the Owner and the Architect a Schedule of Values prepared as follows:
- 9.2.1 The attached Schedule of Values Format shall be used. If applicable, the cost of Work for each section listed under each division, shall be given. The cost for each section shall include Labor, Materials, Overhead and Profit.
- 9.2.2 The Total of all items shall equal the Total Contract Sum. This schedule, when approved by the Architect, shall be used as a basis for the Contractor’s Applications for Payment and it may be used for determining the cost of the Work in deductive change orders, when a specific item of Work listed on the Schedule of Values is to be removed. Once the Schedule of Values is submitted at the Pre-Construction Conference, the schedule may not be modified without approval from the Owner and Architect.

9.3 APPLICATIONS FOR PAYMENT

Delete Subparagraph 9.3.1 and clause 9.3.1.1 and 9.3.1.2 and substitute the following:

- 9.3.1 Monthly, the Contractor shall submit to the Architect an Application & Certificate for Payment on the AIA Document G702-1992, accompanied by AIA Document G703-1992, and supported by any additional data substantiating the Contractor’s right to payment as the Owner or the Architect may require. Application for Payment shall be submitted on or about the first of each month for the value of labor and materials incorporated into the Work and of materials, suitably stored, at the site as of the twenty-fifth day of the preceding month, less normal retainage as follows, per R.S. 38:2248:
- 9.3.1.1 Projects with Contract price up to \$500,000.00 – 10% of the Contract price.
- 9.3.1.2 Projects with Contract price of \$500,000.00, or more – 5% of the Contract price.

9.3.1.3 No payment will be made until the revised schedule required by Section 3.10.1 is received.

The normal retainage shall not be due the Contractor until after substantial completion and expiration of the forty-five day lien period and submission to the Architect of a clear lien certificate, consent of surety and invoice for retainage.

Delete Subparagraph 9.3.2 and substitute the following:

9.3.2 Unless otherwise provided in the Contract Documents, payments shall be made on account of materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work. Payments for materials or equipment stored on the site shall be conditioned upon submission by the Contractor of bills of sale or such other procedures satisfactory to the Owner to establish the Owner's title to such materials and equipment or otherwise protect the Owner's interest, including applicable insurance.

9.5 DECISIONS TO WITHHOLD CERTIFICATION

Subparagraph 9.5.1.7: Delete the word "repeated".

Delete Subparagraph 9.5.3

9.6 PROGRESS PAYMENTS

Delete Subparagraph 9.6.1 and substitute the following:

9.6.1 After the Architect has issued a Certificate for Payment, the Owner shall make payment within twenty days except for projects funded fully or in part by a Federal reimbursement program. For such projects the Owner will make payment in a timely manner consistent with reimbursement.

9.6.2 Delete the phrase: "no later than seven days" from the first sentence.

After the end of the second sentence, add the following:

R.S. 9:2784 (A) and (C) require a Contractor or Subcontractor to make payment due to each Subcontractor and supplier within fourteen (14) consecutive days of the receipt of payment from the Owner. If not paid, a penalty in the amount of ½ of 1% per day is due, up to a maximum of 15% from the expiration date until paid. The contractor or subcontractor, whichever is applicable, is solely responsible for payment of a penalty.

9.6.4 Delete the first two sentences of Subparagraph 9.6.4 and add the following to the end of the Subparagraph:

Pursuant to La. R.S. 38:2242, when the Owner receives any claim of nonpayment arising out of the Contract, the Owner shall deduct 125% of such claim from the Contract Sum. The Contractor, or any interested party, may deposit security, in accordance with La. R.S. 38:2242.2, guaranteeing payment of the claim with the recorder of mortgages of the parish where the Work has been done. When the Owner receives original proof of such

guarantee from the recorder of mortgages, the claim deduction will be added back to the Contract Sum.

9.7 FAILURE OF PAYMENT

Delete Subparagraph 9.7

9.8 SUBSTANTIAL COMPLETION: Delete this section and substitute the following:

9.8 SUBSTANTIAL COMPLETION

9.8.1 Substantial Completion is the stage in the progress of the Work when the Work is sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work for its intended use. The Architect shall determine if the project is substantially complete in accordance with this Subparagraph.

9.8.2 When the Contractor considers that the Work is Substantially Complete, the Contractor shall prepare and submit to the Architect a comprehensive list of items to be completed or corrected prior to final payment. Failure to include an item on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract Documents.

9.8.3 Upon receipt of the Contractor's list, the Architect will make an inspection to determine whether the Work is substantially complete. A prerequisite to the Work being considered as substantially complete is the Owner's receipt of the executed Roofing Contractor's and Roofing Manufacturer's guarantees, where roofing Work is part of the Contract. Prior to inspection by the Architect, the Contractor shall notify the Architect that the project is ready for inspection by the State Fire Marshal's office. If the Architect's inspection discloses any item, whether or not included on the Contractor's list, which is not sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work for its intended use, the Contractor shall, before the Work can be considered as Substantially Complete, complete or correct such item upon notification by the Architect. In such case, the Contractor shall then submit a request for another inspection by the Architect to determine Substantial Completion.

9.8.4 When the Architect determines that the project is Substantially Complete, he shall prepare a punch list of exceptions and the dollar value related thereto. The monetary value assigned to this list will be the sum of the cost estimate for each particular item of Work the Architect develops based on the mobilization, labor, material and equipment costs of correcting the item and shall be retained from the monies owed the contractor, above and beyond the standard lien retainage. The cost of these items shall be prepared in the same format as the schedule of values. At the end of the 45 day lien period payment shall be approved for all punch list items completed up to that time. After that payment, none of the remaining funds shall be due the contractor until all punch list items are completed and are accepted by the Architect. If the dollar value of the punch list exceeds the amount of funds, less the retainage amount, in the remaining balance of the Contract, then the Project shall not be considered as substantially complete. If funds remaining are less than that required to complete the Work, the Contractor shall pay the difference.

- 9.8.5 When the preparation of the punch list is complete the Architect shall prepare a Recommendation of Acceptance incorporating the punch list and submit it to the Owner. Upon approval of the Recommendation of Acceptance, the Owner may issue a Notice of Acceptance of Building Contract which shall establish the Date of Substantial Completion. The Contractor will record the Notice of Acceptance with the Clerk of Court in the Parish in which the Work has been performed. If the Notice of Acceptance has not been recorded seven (7) days after issuance, the Owner may record the Acceptance at the Contractor's expense. All additive change orders must be processed before issuance of the Recommendation of Acceptance. The Owner will not be responsible for payment for any Work associated with change orders that is not incorporated into the contract at the time of the Recommendation of Acceptance.
- 9.8.6 Warranties required by the Contract Documents shall commence on the date of Acceptance of the Work unless otherwise agreed to in writing by the Owner and Contractor. Unless otherwise agreed to in writing by the Owner and Contractor, security, maintenance, heat, utilities, damage to the Work not covered by the punch list and insurance shall become the Owner's responsibility on the Date of Substantial Completion.
- 9.8.7 If all punch list items have not been completed by the end of the forty-five (45) day lien period, through no fault of the Architect or Owner, the Owner may hold the Contractor in default. If the Owner finds the Contractor is in default, the Surety shall be notified. If within forty-five (45) days after notification, the Surety has not completed the punch list, through no fault of the Architect or Owner, the Owner may, at his option, contract to have the balance of the Work completed and pay for such Work with the unpaid funds remaining in the Contract sum. Finding the Contractor in default shall constitute a reason for disqualification of the Contractor from bidding on future state contracts. If the surety fails to complete the punch list within the stipulated time period, the Owner may not accept bonds submitted, in the future, by the surety.

9.9 PARTIAL OCCUPANCY OR USE

- 9.9.1 Delete paragraph and substitute the following:

Partial Occupancy is that stage in the progress of the Work when a designated portion of the Work is sufficiently complete in accordance with the Contract Documents so the Owner can occupy or utilize the designated portion of the Work for its intended use. The Owner may occupy or use any substantially completed portion of the Work so designated by separate agreement with the Contractor and authorized by public authorities having jurisdiction over the Work. Such occupancy or use may commence provided the Owner and Contractor have accepted in writing the responsibilities assigned to each of them for payments, if any, security, maintenance, heat, utilities, damage to the Work and insurance, and have agreed in writing concerning the period for correction of the Work and commencement of warranties required by the Contract Documents. When the Contractor considers the designated portion substantially complete the Contractor shall prepare and submit a list to the Architect as provided under Subparagraph 9.8.2. Consent of the Contractor to partial occupancy or use shall not be unreasonable withheld.

9.10 FINAL COMPLETION AND FINAL PAYMENT

9.10.1 After the first sentence, add the following:

If the Architect does not find the Work acceptable under the Contract Documents, the Architect shall make one additional inspection; if the Work is still not acceptable, the Architect, and each of the Architect's principal consultants, shall be paid \$175.00/hour for their time at the project site, for each additional inspection, to be withheld from the unpaid funds remaining in the Contract sum. The payment shall be made by the Owner and deducted from the construction contract funds.

9.10.4 Replace with the following:

The making of final payment shall not constitute a waiver of claims by the Owner for the following:

- 9.10.4.1 Claims, security interests or encumbrances arising out of the Contract and unsettled;
- 9.10.4.2 Failure of the Work to comply with the requirements of the Contract Documents irrespective of when such failure is discovered; or
- 9.10.4.3 Terms of special warranties required by the Contract Documents.

ARTICLE 10

PROTECTION OF PERSONS AND PROPERTY

10.2 SAFETY OF PERSONS AND PROPERTY

10.2.2 In the first sentence, between the words: "bearing on and safety", add the words: "the health and,"

10.3 HAZARDOUS MATERIALS

10.3.1 In the first sentence after (PCB) add: "or lead"

10.3.2 After the first sentence, delete all remaining sentences.

Add at the end: "The Contract time shall be extended appropriately."

10.4 EMERGENCIES

Delete Subparagraph 10.4 and substitute the following:

10.4 In an emergency affecting the safety of persons or property, the Contractor shall notify the Owner and Architect immediately of the emergency, simultaneously acting at his discretion to prevent damage, injury or loss. Any additional compensation or extension of time claimed by the Contractor on account of emergency Work shall be determined as provided in Article 15 and Article 7.

ARTICLE 11

INSURANCE AND BONDS

Delete all of Paragraphs 11.1, 11.2 and 11.3 and substitute the following:

**INSURANCE REQUIREMENTS FOR
NEW CONSTRUCTION, ADDITIONS AND RENOVATIONS**

11.1 The Contractor shall purchase and maintain without interruption for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Work hereunder by the Contractor, its agents, representatives, employees or subcontractors. The duration of the contract shall be from the inception of the contract until the date of final payment.

11.2 MINIMUM SCOPE AND LIMITS OF INSURANCE

11.2.1 Worker's Compensation

Worker's Compensation insurance shall be in compliance with the Worker's Compensation law of the State of Louisiana. Employers Liability is included with a minimum limit of \$500,000 per accident/per disease/per employee. If Work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act or other maritime law coverage shall be included and the Employers Liability limit increased to a minimum of \$1,000,000. A.M. Best's insurance company rating requirement may be waived for Worker's compensation coverage only.

11.2.2 Commercial General Liability

Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products and Completed Operations Liability, shall have a minimum limit per occurrence based on the project value. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

The aggregate loss limit must apply to each project. ISO form CG 25 03 (current form approved for use in Louisiana), or equivalent, shall also be submitted. The State project number, including part number, and project name shall be included on this endorsement.

COMBINED SINGLE LIMIT (CSL) PER OCCURRENCE

<u>Type of Construction</u>	<u>Projects up to \$1,000,000</u>	<u>Projects over \$1,000,000 up to \$10,000,000</u>	<u>Projects over \$10,000,000</u>
New Buildings:			
Each Occurrence			
Minimum Limit	\$1,000,000	\$2,000,000	\$4,000,000

with Interstate 10 to the Louisiana – Mississippi border. If flood is included in the builder’s risk insurance policy, then the sub-limit shall not be less than ten percent (10%) of the total contract cost per occurrence. If flood is purchased as a separate policy, the limit shall be ten percent (10%) of the total contract cost per occurrence (with a max of \$500,000 if NFIP). Coverage for roofing projects shall **not** require flood coverage.

On projects South of this corridor, flood coverage shall be provided by the State of Louisiana as the Owner. The Contractor will be liable for the \$5,000 policy deductible from the Notice to Proceed date through the date of final payment of the project in the event of a flood loss.

A Specialty Contractor may provide an installation floater in lieu of a Builder’s Risk policy, with the similar coverage as the Builder’s Risk policy, upon the system to be installed in an amount equal to the greater of the fully-completed project value or the amount of the contract including any amendments. Flood coverage is not required.

The policy must include coverage for the Owner, Contractor and any subcontractors as their interests may appear.

11.2.6 Pollution Liability (*required when asbestos or other hazardous material abatement is included in the contract*)

Pollution Liability insurance, including gradual release as well as sudden and accidental, shall have a minimum limit of not less than \$1,000,000 per claim. A claims-made form will be acceptable. A policy period inception date of no later than the first day of anticipated Work under this contract and an expiration date of no earlier than 30 days after anticipated completion of all Work under the contract shall be provided. There shall be an extended reporting period of at least 24 months, with full reinstatement of limits, from the expiration date of the policy. The policy shall not be cancelled for any reason, except non-payment of premium.

11.2.7 Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and accepted by the Owner. The Contractor shall be responsible for all deductibles and self-insured retentions.

11.3 OTHER INSURANCE PROVISIONS

11.3.1 The policies are to contain, or be endorsed to contain, the following provisions:

11.3.1.1 Worker’s Compensation and Employers Liability Coverage

11.3.1.1.1 The insurer shall agree to waive all rights of subrogation against the Owner, its officers, agents, employees and volunteers for losses arising from Work performed by the Contractor for the Owner.

11.3.1.2 General Liability Coverage

- 11.3.1.2.1 The Owner, its officers, agents, employees and volunteers are to be added as additional insureds as respects liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor, premises owned, occupied or used by the Contractor. ISO Form CG 20 10 (current form approved for use in Louisiana), or equivalent, is to be used.
- 11.3.1.2.2 The Contractor's insurance shall be primary as respects the Owner, its officers, agents, employees and volunteers. The coverage shall contain no special limitations on the scope of protection afforded to the Owner, its officers, officials, employees or volunteers. Any insurance or self-insurance maintained by the Owner shall be excess and non-contributory of the Contractor's insurance.
- 11.3.1.2.3 The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the policy limits.

11.3.1.3 Builder's Risk

The policy must include an endorsement providing the following:
In the event of a disagreement regarding a loss covered by this policy which may also be covered by a State of Louisiana self-insurance or commercial property policy through the Office of Risk Management (ORM), Contractor and its insurer agree to follow the following procedure to establish coverage and/or the amount of loss:

Any party to a loss may make written demand for an appraisal of the matter in disagreement. Within 20 days of receipt of written demand, the Contractor's insurer and either ORM or its commercial insurance company shall each select a competent and impartial appraiser and notify the other of the appraiser selected. The two appraisers will select a competent and impartial umpire. The appraisers will then identify the policy or policies under which the loss is insured and, if necessary, state separately the value of the property and the amount of the loss that must be borne by each policy. If the two appraisers fail to agree, they shall submit their differences to the umpire. A written decision by any two shall determine the policy or policies and the amount of the loss. Each insurance company agrees that the decision of the appraisers and the umpire if involved will be binding and final and that neither party will resort to litigation. Each of the two parties shall pay its chosen appraiser and bear the cost of the umpire equally.

11.3.1.4 All Coverages

- 11.3.1.4.1 Coverage shall not be canceled, suspended, or voided by either party (the Contractor or the insurer) or reduced in coverage or in limits except after 30 days written notice has been given to the Owner. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy.
- 11.3.1.4.2 Neither the acceptance of the completed Work nor the payment thereof shall release the Contractor from the obligations of the insurance requirements or indemnification agreement.
- 11.3.1.4.3 The insurance companies issuing the policies shall have no recourse against the Owner for payment of premiums or for assessments under any form of the policies.
- 11.3.1.4.4 Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Owner, its officers, agents, employees and volunteers.

11.3.2 ACCEPTABILITY OF INSURERS

All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with an A.M. Best's rating of **A-:VI or higher**. This rating requirement may be waived for Worker's compensation coverage only.

If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another certificate of insurance as required in the contract.

11.3.3 VERIFICATION OF COVERAGE

Contractor shall furnish the Owner with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Owner before Work commences and upon any contract renewal thereafter. The Certificate Holder must be listed as follows:

State of Louisiana
 Name of Owner
 Owner Address
 City, State, Zip
 Attn: Project # _____

In addition to the Certificates, Contractor shall submit the declarations page and the cancellation provision endorsement for each insurance policy. The Owner reserves the right to request complete certified copies of all required insurance policies at any time.

Upon failure of the Contractor to furnish, deliver and maintain such insurance as above provided, this contract, at the election of the Owner, may be suspended, discontinued or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the contract.

If the Contractor does not meet the insurance requirements at policy renewal, at the option of the Owner, payment to the Contractor may be withheld until the requirements have been met, OR the Owner may pay the renewal premium and withhold such payment from any monies due the Contractor, OR the contract may be suspended or terminated for cause.

11.3.4 SUBCONTRACTORS

Contractor shall include all subcontractors as insureds under its policies OR shall be responsible for verifying and maintaining the certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Owner reserves the right to request copies of subcontractor's certificates at any time.

If Contractor does not verify subcontractors' insurance as described above, Owner has the right to withhold payments to the Contractor until the requirements have been met.

11.3.5 WORKER'S COMPENSATION INDEMNITY

In the event Contractor is not required to provide or elects not to provide Worker's compensation coverage, the parties hereby agree the Contractor, its Owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Worker's Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its Owners, agents and employees. The parties further agree that Contractor is a wholly independent Contractor and is exclusively responsible for its employees, Owners, and agents. Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this contract.

11.3.6 INDEMNIFICATION/HOLD HARMLESS AGREEMENT

Contractor agrees to protect, defend, indemnify, save, and hold harmless, the State of Louisiana, all State Departments, Agencies, Boards and Commissions, its officers, agents, servants, employees and volunteers, from and against any and all claims, damages, expenses and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur, or in any way grow out of, any act or omission of Contractor, its agents, servants and employees, or any and all costs, expenses and/or attorney fees incurred by Contractor as a result of any claims, demands, suits or causes of action, except those claims, demands, suits or causes of action arising out of the negligence of the State of Louisiana, all State Departments, Agencies, Boards, Commissions, its officers, agents, servants, employees and volunteers.

Contractor agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands, suits or causes of action at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claims, demands, suits, or causes of action are groundless, false or fraudulent.

11.4 PERFORMANCE AND PAYMENT BOND

Add the following Subparagraph 11.4.3:

11.4.3 RECORDATION OF CONTRACT AND BOND [38:2241A(2)]

The Owner shall record within thirty (30) days the Contract Between Owner and Contractor and Performance and Payment Bond with the Clerk of Court in the Parish in which the Work is to be performed.

ARTICLE 12

UNCOVERING AND CORRECTION OF WORK

12.2.1 BEFORE OR AFTER SUBSTANTIAL COMPLETION

At the end of the paragraph, add the following sentences: “If the Contractor fails to correct Work identified as defective within a thirty (30) day period, through no fault of the Designer, the Owner may hold the Contractor in default. If the Owner finds the Contractor in default, the Surety shall be notified. If within thirty (30) days after notification, the Surety has not corrected the nonconforming Work, through no fault of the Architect or Owner, the Owner may contract to have nonconforming Work corrected and hold the Surety and Contractor responsible for the cost, including architectural fees and other indirect costs. If the Surety fails to correct the Work within the stipulated time period and fails to meet its obligation to pay the costs, the Owner may elect not to accept bonds submitted in the future by the Surety. Finding the Contractor in default shall constitute a reason for disqualification of the Contractor from bidding on future state contracts.

12.2.2 AFTER SUBSTANTIAL COMPLETION

12.2.2.1 At the end of the paragraph delete the last sentence and add the following sentences: If the Contractor fails to correct nonconforming Work within a thirty (30) day period, through no fault of the Architect or Owner, the Owner may hold the Contractor in default. If the Owner finds the Contractor is in default, the Surety shall be notified. If within thirty (30) days after notification, the Surety has not corrected the nonconforming Work, through no fault of the Architect or Owner, the Owner may contract to have the nonconforming Work corrected and hold the Surety responsible for the cost including architects fees and other indirect costs. Corrections by the Owner shall be in accordance with Section 2.4. If the Surety fails to correct the nonconforming Work within the stipulated time period and fails to meet its obligation to pay the costs, the Owner may not accept bonds submitted, in the future, by the Surety.

- 12.2.2.1 At the end of the paragraph delete the last sentence and add the following sentences: If the Contractor fails to correct Work covered by warranties within a thirty (30) day period, through no fault of the Architect or Owner, the Owner may hold the Contractor in default. If the Owner finds the Contractor is in default, the Surety shall be notified. If within thirty (30) days after notification, the Surety has not corrected the warranty Work, through no fault of the Architect or Owner, the Owner may contract to have the warranty Work corrected and hold the Surety responsible for the cost including architects fees and other indirect costs. Corrections by the Owner shall be in accordance with Section 2.4. If the Surety fails to correct the warranty Work within the stipulated time period and fails to meet its obligation to pay the costs, the Owner may not accept bonds submitted, in the future, by the Surety.

ARTICLE 13

MISCELLANEOUS PROVISIONS

13.1 GOVERNING LAW

Delete all after the word “located”.

13.2 SUCCESSORS AND ASSIGNS

13.2.1 In the second sentence, delete “Except as ... 13.2.2”

Delete paragraph 13.2.2

13.4 RIGHTS AND REMEDIES

Add the following clause 13.4.3

13.4.3 The Nineteenth Judicial Court in and for the Parish of East Baton Rouge, State of Louisiana shall have sole jurisdiction and venue in any action brought under this contract.

13.5 TESTS AND INSPECTIONS

In Subparagraph 13.5.1, delete the second sentence and substitute the following:

The Contractor shall make arrangements for such tests, inspections and approvals with the Testing Laboratory provided by the Owner, and the Owner shall bear all related costs of tests, inspections and approvals.

Delete the last sentence of Subparagraph 13.5.1

13.6 INTEREST

Delete Paragraph 13.6

13.7 TIME LIMITS ON CLAIMS

Delete Paragraph 13.7 (See L.R.S. 38:2189).

ARTICLE 14

TERMINATION OR SUSPENSION OF THE CONTRACT

14.1 TERMINATION BY THE CONTRACTOR

Delete clause 14.1.1.4

In Subparagraph 14.1.3, after the word “profit” add the following: “for Work completed prior to stoppage”.

14.2 TERMINATION BY THE OWNER FOR CAUSE

Add the following clause:

14.2.1.5 Failure to complete the punch list within the lien period as provided in 9.8.7.

14.2.3 Add the following sentence:

Termination by the Owner shall not suspend assessment of liquidated damages against the Surety.

14.2.5 Add the following Subparagraph:

If an agreed sum of liquidated damages has been established, termination by the Owner under this Article will not relieve the Contractor and/or surety of his obligations under the liquidated damages provisions and the Contractor and/or surety shall be liable to the Owner for per diem liquidated damages.

ARTICLE 15

CLAIMS AND DISPUTES

15.1 CLAIMS

In the first sentence of Subparagraph 15.1.1, after the word “money”, add the phrase: “extension of time,”

15.1.2 Add the following to the end of the paragraph: A Reservation of Rights and similar stipulations shall not be recognized under this contract as having any effect. A party must make a claim as defined herein within the time limits provided.

15.1.3 In the second sentence of the Subparagraph, delete “the decisions of the Initial Decision Maker” and replace with: “his/her decision”.

Delete Paragraph 15.1.5.2 and substitute the following:

If adverse weather conditions are the basis for a claim for additional time, the Contractor shall document that weather conditions had an adverse effect on the scheduled construction. An increase in the contract time due to weather shall not be cause for an increase in the contract sum. At the end of each month, the Contractor shall make one Claim for any adverse weather days occurring within the month. The Claim must be accompanied by sufficient documentation evidencing the adverse days and the impact on construction. Failure to make such Claim within twenty-one (21) days from the last day of the month shall prohibit any future claims for adverse days for that month.

15.1.5.3 Add the following Subparagraph:

The following are considered reasonably anticipated days of adverse weather on a monthly basis:

January	<u>11</u> days	July	<u>6</u> days
February	<u>10</u> days	August	<u>5</u> days
March	<u>8</u> days	September	<u>4</u> days
April	<u>7</u> days	October	<u>3</u> days
May	<u>5</u> days	November	<u>5</u> days
June	<u>6</u> days	December	<u>8</u> days

The Contractor shall ask for total adverse weather days. The Contractor's request shall be considered only for days over the allowable number of days stated above.

Note: Contract is on a calendar day basis.

15.2 INITIAL DECISION

15.2.1 In the second sentence, delete the word "will" and replace with: "shall always".

In the second sentence, delete the phrase: "unless otherwise indicated in the Agreement."

In the third sentence, delete the word "mediation" and replace with: "litigation".

In the third sentence, delete: "unless 30 days have passed after the Claim has been referred to the Initial Decision Maker with no decision having been rendered."

15.2.5 In the middle of the first sentence, delete all after the phrase: "rejecting the Claim".

In the second sentence, delete the phrase: "and the Architect, if the Architect is not serving as the Initial Decision Maker."

In the third sentence, delete all after: "binding on the parties" and add the following: "except that the Owner may reject the solution or suggest a compromise or both."

15.2.6 Delete Paragraph.

Delete Subparagraph 15.2.6.1

15.3 MEDIATION

Delete Article 15.3

15.4 ARBITRATION

Delete Article 15.4



State Of
Louisiana
OFFICE OF
RISK MANAGEMENT

**Procedures Manual
For
Insurance Requirements In Contracts
And
Indemnification Agreements**

REVISED JANUARY 2011

PREFACE

This manual has been developed to provide useful information on insurance language to use in agency contracts with outside vendors, contractors or lessees. This manual is only to be used as a guideline and to provide recommendations of limits and coverages. The limits and coverages recommended in this manual are not mandatory. The ultimate decision as to what limits and coverages will be required in a contract is to be made by each State Department, Agency, Board or Commission entering into the contract. This manual is advisory recommendations only. The manual also does not supersede higher insurance limits required by state statute for certain types of contracts.

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INTRODUCTION TO THE MANUAL

DISTRIBUTION

This manual should be distributed to agency personnel who

- (1) Prepare Bid Documents
- (2) Negotiate Contracts
- (3) Review Certificates of Insurance
- (4) Prepare Indemnification/Hold Harmless Agreements

PURPOSE

The State of Louisiana, all State Departments, Agencies, Boards and Commissions (herein after referred to as "Agency") must require suppliers, contractors, subcontractors and tenants (herein after referred to as the "Other Party" to the Agency contract) to maintain insurance covering the Other Party against claims or judgments arising from their products, operations, actions or activities while under contract for the Agency. The Agency must also require that the Other Party add the Agency as an "additional insured" to their insurance policies to protect the Agency, its officers, officials, employees and volunteers against any negligence of the Other Party. A Certificate of Insurance submitted from the Other Party to the Agency is a practical way to confirm that appropriate coverages and additional insured terms are in force.

This manual explains how to establish insurance requirements for contracts with contractors, tenants and vendors and how to monitor their compliance with those requirements. It will provide guidelines and specific wording as to the types of insurance coverages and minimum limits that should be required. These insurance requirements should be made part of all Agency bid specifications and should be included in the contract between the Agency and the Other Party.

CHAPTER 1

THE BASICS

The first level of protection for the Agency is the requirement that the Other Party must maintain insurance coverage and must name the Agency as an additional insured on those policies. The Other Party is required to comply with the insurance terms described in the bid and/or contract. There should be a separate section of the bid and/or contract that outlines the specific insurance requirements of which the Other Party must comply. In many cases, this section also indicates the insurance coverages and limits to be provided by the Agency. It is necessary that the correct insurance specifications and forms are used as outlined in Chapter 6 of this manual.

The Agency should also require proof that these insurance requirements have been fulfilled. The required insurance in a bid document does not take effect automatically. The Other Party's insurance company must first issue the required insurance policies or endorse existing policies to conform to the Agency's requirements. A Certificate of Insurance is required from the Other Party to confirm that appropriate coverages and endorsements are in force.

A second source of protection for the Agency is a signed and executed indemnification or hold-harmless agreement. This agreement states that the Other Party will hold harmless, defend and indemnify the Agency when the Agency is named in a claim or lawsuit due to the actions or products of the Other Party. It provides protection in addition to insurance purchased by the Other Party and is particularly important when the Other Party has a large deductible. The indemnification/hold harmless agreement automatically takes effect when a contract is negotiated and signed if it is addressed in the contract. (Note: This may not be true when a contract is awarded through the bid process as required by Louisiana Revised Statute 39:1551 et seq. Please review the statute and seek legal advice when needed.) These signed documents are necessary since court decisions have often invalidated or adversely affected the enforceability of Certificates of Insurance, when Certificates alone were used. It is necessary that the correct forms are used as outlined in Chapter 6 and the Exhibits sections of this manual.

This manual provides an example Certificate of Insurance and recommended wording for both the insurance requirements and the indemnification/hold harmless agreement. Correct insurance requirements and forms should be sent with the bid specifications up front, so that the bidder understands the nature of the required insurance and forms and can send them to their insurer for approval before the bid is submitted, thus eliminating delay after the bid is awarded. Often, the Certificate is required to be submitted with the bid quotation, so that they can be reviewed before an award is made.

Once the Agency reviews the bid quotations and makes the award, the contract containing the appropriate indemnification/hold harmless wording should be signed by the awarded Other Party.

Certificates of Insurance should always be promptly reviewed by appropriate agency personnel for accuracy. The contract can be accepted, from an insurance standpoint, once it has been confirmed that the insurance requirements have been met.

CHAPTER 2

CONSIDERATIONS FOR DRAFTING INSURANCE SPECIFICATIONS FOR CONTRACTS

Review the language as shown in Chapter 6, Insurance and Indemnification found in this manual.

1. Determine the maximum deductibles or self-insured retention levels that the Other Party may maintain. The Other Party must disclose and the Agency accept such deductibles and levels of retention. An alternative to substantial deductibles and retention levels is to request the Other Party to post a surety bond guaranteeing payment of losses and defense costs within the deductible or retained layer. If the Other Party is financially unable to pay the deductible or self-insured retention, or if the court sets aside contract terms describing Other Party's responsibilities, the Agency could be subject to the amount of the loss up to the deductible or retention level.
2. Require the Other Party's insurer to add the Agency, its officers, officials, employees and volunteers as additional insureds to all required liability coverages, except workers compensation policies.
3. Policies must be endorsed to give the Agency 30 days notification if the Other Party's insurance coverage is cancelled. The Certificate may or may not reflect the cancellation days requested. If it does not, then request a copy of the Cancellation Provision endorsement from the policy to confirm.
4. Insurance must be placed with commercial insurance companies which possess a minimum of A.M. Best Company rating of **A-VI** or higher. The letter indicates the insurer's financial strength rating and the Roman numeral indicates financial size. The rating A- indicates excellent and the VI indicates a company with a policyholder surplus of at least \$25,000,000. This requirement may be waived for Workers Compensation coverage only.
5. This manual provides minimum insurance limits for normal, frequent situations. Higher limits should be required for hazardous activities, such as blasting, or where the activity has a severe loss potential, as in construction on or close to highways, utility lines or high-valued property.

Most insurers have forms that impose "aggregate limits" or maximum amount paid on all losses during the coverage term. Coverage provided by the Other Party containing aggregates could have the total aggregate limit reduced by losses arising out of projects for parties other than the Agency. Consequently, the Agency should require of the Other Party one of the following:

- a. A higher aggregate limit which is at least a 2 times multiple of the occurrence limit. For example, a \$1 million per occurrence limit with a \$2 million aggregate, OR
- b. A separate aggregate for the Agency's project.

Note: There are limitations on the requirement in b. above. The Other Party's insurer may decline to amend or to write coverage to fit your requirements.

CHAPTER 3

GUIDELINES FOR DETERMINING THE CORRECT SPECIFICATIONS **OR** **IF SPECIAL LANGUAGE IS NEEDED**

Although the Agency may enter into a variety of contracts each year, most of these contracts may be grouped into a few categories for insurance purposes. The Exhibits at the end of this manual provide standardized forms suitable for most contracts. This chapter provides guidelines for the exhibits.

The first three (3) sets of insurance specifications at the end of the manual have been developed for the most common situations that the Agency will encounter:

- Exhibit A - Insurance Requirements for Contractors
- Exhibit B - Insurance Requirements for Lessee
- Exhibit C - Insurance Requirements for Joint Ventures

When the agency is entering a joint venture (Exhibit C), contact your Agency's legal counsel and/or the Underwriting Unit at the Office of Risk Management (ORM) for special wording during the preparation of the joint venture contract or any bid specifications related to it. Exhibit D is to be used when a bid involves a large construction or renovation project. Exhibit E is a stand-alone indemnification-hold harmless agreement.

Exhibit A is the broadest set of requirements. While its requirements are broader than needed for tenant or other similar contracts, it can be used in those situations also. For example: Exhibit A requires Automobile insurance. Automobile insurance is not customarily required in some contracts. Exhibit B is identical to Exhibit A, but deletes the Automobile requirement.

If the scope of the contract fits into more than one category, use the broadest applicable language. For example, if a vendor will install and maintain the product or perform other services for the Agency, the vendor should be considered as a contractor for the purpose of insurance requirements and the broader language of Exhibit A should be used.

Please remember that this contract manual is intended for standard contracts. It does not fit all situations. Any questions regarding the increase or decrease in limits of insurance suggested in this manual should be referred to your Agency's legal counsel and/or ORM. Remember, these guidelines are recommendations only and are alterable at the discretion of each agency or department issuing the contract or bid document.

Following are some guidelines for deciding which set of specifications to use or if special language is needed:

1. Construction and Services Contracts

- a. Includes most construction and remodeling, janitorial service, movers, on-site equipment maintenance agreements, tow service, tree maintenance, road maintenance, welding, plumbing, painting, electrical work and fireworks exhibits. \$1,000,000 minimum limit for general liability.

2. Professional Services and Environmental Risks, including asbestos, hazardous chemicals or waste, and nuclear risks

- a. Includes architects, engineers, consultants, attorneys and accountants, and also any activity involving asbestos, hazardous wastes, or nuclear fuels, facilities or wastes.

this type of property risk.

If the Other Party's property might be considered as being in the custody of the Agency, such as storage of tools and equipment on Agency-owned or controlled premises, this risk may be mitigated by a properly worded hold harmless agreement. If Agency property is to be in the custody of a supplier, for example, a shipment sent F.O.B. to the supplier's warehouse, the Agency may arrange for transit insurance or request the supplier to do so. This situation could occur, for example, if ownership transfers at the warehouse and the Agency takes the risk of loss in transit.

8. Wrap-Ups for Major Construction Projects

The specifications in this manual are intended for routine projects. Major construction projects, especially those that involve many subcontractors, will call for special insurance requirements. Wrap-ups are very complicated and require special attention. Typically, wrap-ups are only financially feasible for projects over \$10,000,000. Contact ORM prior to consideration of a project that includes the use of a wrap-up.

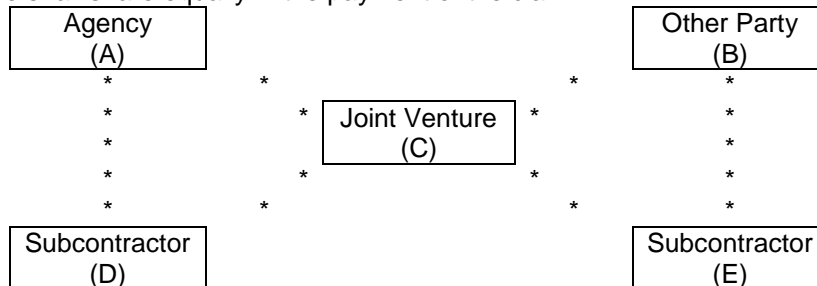
9. Fidelity (or Dishonesty) Bond

This is purchased by private employers to cover loss caused by dishonesty of their employees. The employer also has the option to cover himself/herself.

10. Joint Ventures

Joint ventures are usually between the Agency and another governmental entity. The diagram below may help in the explanation of the different contractual relationships between Agency (A) and the Other Party (B) which makes up the joint venture (C). When A joins with B, the joint venture is a result of the contract. When the joint venture (C) subcontracts with either Subcontractor D or E, then the Subcontractor should provide insurance coverage(s) as in any standard contract in favor of the Joint Venture (C). A problem arises when the Other Party (B) enters into a contract with Subcontractor (E) that has nothing to do with the Joint Venture (C). The Other Party (B) should hold harmless the joint venture for its contractual relationships directly with Subcontractor (E) for operations which do not arise out of the Joint Venture (C). Any work done by a contractor/subcontractor on behalf of the joint venture should be contracted for/by the joint venture and not the individual parties.

With respect to the Joint Venture, if it can be determined that the claim or occurrence was a direct result of a negligence of the Other Party (B) then the Other Party's insurance coverage shall be primary insurance as respects the Agency (A). Any insurance or self-insurance maintained by Agency (A) shall be excess over the Other Party's insurance and shall not contribute to it. If it is determined that the claim or occurrence is the direct result of Agency (A), then the Agency's insurance coverage shall be primary. If it is not clear who the negligent party was that caused the occurrence that resulted in a loss or claim, both the Agency (A) and the Other Party's (B) insurance shall share equally in the payment of the claim.



CHAPTER 4

INSURANCE TERMINOLOGY

The following chapter defines certain commonly used insurance terms and describes key types of coverage:

A. OCCURRENCE VERSUS CLAIMS-MADE POLICY FORMS

Most liability insurance policies sold by the commercial insurance market have traditionally been written on an "occurrence" basis, meaning that they insure accidents or events that happen during the policy term, even if a formal claim is not made until months or years later. For example, a child injured in an accident may, under certain circumstances, be allowed to make a formal claim for damages after reaching age eighteen, many years after the actual loss occurred. The insured would be protected against this claim by the policy in effect at the time of the accident. Thus, it is important to maintain, on a long-term basis, records of coverage even after the policies expire.

Some insurers use a "claims-made" coverage form for certain types of insurance (professional liability being one) which imposes strict deadlines regarding the reporting of claims to the insurer. In its most fundamental form, claims-made coverage responds to claims made during the policy term, regardless of when the triggering accident or event happened. Using the example of the injured child, the policy in effect at the point in time that a formal claim is made would be the one to respond, even if it is years after the actual loss occurred.

While the restrictions may vary between insurers, the forms do allow for some exceptions. One common claims-made coverage form is written to apply only to claims that are submitted to the insurer during the policy term or within sixty (60) days thereafter. In this case, if the Agency's protection is to be preserved under this policy form, claims made against the Agency, either orally or in writing, must be reported immediately to the insurer within that 60-day window. In most cases, the Other Party will require that they be notified first and then they will send notice to their insurer on the Agency's behalf. It is important to follow up with the Other Party to make sure they have done so in a timely manner.

Another common policy provision in a claims-made form is that it will honor claims reported within five years after policy expiration, but only arising out of incidents that have been reported to the insurer during the policy term or within 60 days thereafter. In other words, if an incident is reported to the insurer that may generate a future claim, coverage is "locked in" for five years. If the incident is not reported (even if you didn't know about it) during the policy term and then the formal claim is submitted after the policy expiration, the policy will not cover it. Therefore, the Agency should also report incidents to the Other Party so that they can be reported to the insurer during the policy term in case of a future claim.

Although the occurrence form is preferred, you can expect to encounter some of the Other Party's insurance to be written on claims-made forms. Professional liability risks are almost always written on a claims-made basis, especially professional liability for architects, engineers, medical professionals and consultants. Also, hazardous products or activities, such as asbestos removal contracting, may be written on a claims-made form. However, most types of standard commercial business insurance are usually written on an occurrence form, including Commercial General Liability and Automobile Liability.

B. COMMONLY ENCOUNTERED INSURANCE COVERAGES

1. Commercial General Liability Insurance

This coverage provides protection against bodily injury and property damage claims arising from the operations of a contractor, supplier or tenant. Coverage applies to premises operations, use of independent contractors, products and completed operations, personal injury, and contractual liability. Major exclusions include liability arising out of the ownership, maintenance or use of watercraft, aircraft and automobiles. Other insurance policies normally cover these exposures.

The policy limits all loss payments to two aggregate limits, one for products and completed operations and one for all other losses. The aggregate limit is the total amount the policy will pay in one year. Prior claims can exhaust the amount of insurance available to pay on a current claim. It is important to ask if there are any claims pending if the policy has an aggregate. If prior claims paid or filed exceed the policy annual aggregate, you are not receiving any coverage at all. In some cases, some policies may eliminate the aggregate limit. This form can be written on either a claims-made or an occurrence basis.

The Agency should require a Commercial General Liability insurance policy from all contractors and tenants. The older form titled Comprehensive General Liability has been phased out and replaced by this newer form.

2. Business Automobile Liability Insurance

This coverage provides protection against liability claims arising out of the use of automobiles in the course of the Other Party's operations. The symbol used in the policy defines the scope of coverage. Below are the descriptions of automobile designation symbols from the standard Business Automobile Liability policy. Generally, you should require Code #1, which is the single broadest code, or #2 (owned), #8 (hired) and #9 (non-owned).

CODES USED IN BUSINESS AUTO POLICIES

- 1 = ANY AUTO
- 2 = OWNED AUTOS ONLY
Only those autos you own (and for liability coverage any trailers you don't own while attached to autos you own). This includes those autos you acquire ownership of after the policy begins.
- 3 = OWNED PRIVATE PASSENGER AUTOS ONLY
Only the private passenger autos you own. This includes those private passenger autos you acquire ownership of after the policy begins.
- 4 = OWNED AUTOS OTHER THAN PRIVATE PASSENGER AUTOS
Only those autos you own that are not of the private passenger type (and for liability coverage, any trailers you don't own while attached to autos you own). This includes those autos not of the private passenger type you acquire ownership of after the policy begins.
- 5 = OWNED AUTOS SUBJECT TO NO-FAULT
Only those autos you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those autos you acquire ownership of after the policy begins.
- 6 = OWNED AUTOS SUBJECT TO A COMPULSORY UNINSURED MOTORISTS LAW
Only those autos you own that because of the law in the state where they are

licensed or principally garaged are required to have and cannot reject uninsured motorists insurance. This includes autos you acquire ownership of after the policy begins.

- 7 = SPECIFICALLY DESCRIBED AUTOS
Only those autos described for which a premium charge is shown (and for liability coverage any trailers you don't own while attached to autos specifically described).
- 8 = HIRED AUTOS ONLY
Only those autos you lease, hire, rent or borrow. This does not include any auto you lease, hire, rent, or borrow from any of your employees or partners or members of their households.
- 9 = NON-OWNED AUTOS ONLY
Only those autos you do not own, lease, hire, rent, or borrow that are used in connection with your business. This includes autos owned by your employees, partners, or board members or members of their households but only while used in your business or your personal affairs.

Automobile coverage requirements should be waived only when the Other Party's work clearly does not involve the use of an automobile. If any doubts exist, this coverage should be required.

3. Workers Compensation and Employers Liability Insurance

Workers compensation insurance provides statutory protection against bodily injury, sickness or disease sustained by employees of the Other Party in the scope of their employment. It should be required of any Other Party performing work for the Agency.

In Louisiana, the current Workers Compensation Statute 23:1035 exempts officers of a corporation, partners in a partnership, members of a limited liability company, and sole proprietors from electing Workers compensation coverage on themselves. If any of these types of employees of the Other Party will be doing any of the work or will be on the Agency's site performing services at any time, they must elect to carry Workers Compensation coverage on themselves and provide proof thereof.

Employers' liability coverage is usually included in workers compensation policies. It insures against claims of injured employees made in lieu of or in addition to a workers compensation claim. The policy should provide a waiver of subrogation in favor of the State as described in C. 10. below.

In addition, if the Other Party's employees may have an exposure under the U.S. Longshore and Harbor Workers' Compensation Act (LHWCA), Jones Act, or other maritime laws, then coverage should be included for those injuries or claims.

C. OTHER TERMS AND TYPES OF INSURANCE

1. Contractual Liability

This coverage provides protection for liability assumed by the insured in a contract or agreement.

This coverage should be required from all contractors and suppliers. It technically is not needed from tenants of Agency properties, as Commercial General Liability insurance includes contractual liability assumed in insured contracts, such as leases. An insured

contract is an agreement involving the insured's business, including construction, demolition and maintenance work, leases, and licenses. Indemnification of others because of tort liability, liability that is imposed by the law, is covered. Contractual liability insurance is usually included in the Commercial General Liability policy or it can be written as a separate coverage.

2. Personal Injury and Advertising Liability

This coverage insures liability for certain non-physical injuries, such as:

- a. False arrest, detention or imprisonment,
- b. Libel, slander or defamation, and
- c. Wrongful entry or eviction.

Personal injury liability insurance should be required of anyone dealing with the public, such as contract security guards. It is typically included in the Commercial General Liability policy or it can be written as a separate coverage.

3. Broad Form Property Damage Liability

This coverage provides important additional protection to contractors for liability arising out of damage they may cause to property they are working on. Agencies should require this coverage from the Other Party working on Agency premises.

It is typically included in the Commercial General Liability policy or it can be written as a separate coverage.

4. Products and Completed Operations Liability

This coverage insures liability for bodily injury or property damage resulting from:

- a. A product that is sold, handled or distributed by a supplier,
- b. Work completed by a contractor that is found to be faulty.

The Agency should require products and completed operations liability coverage from all contractors and suppliers, especially for products of a hazardous nature, such as guns and ammunition. Keep in mind that a distributor is not the same as a supplier and may not carry this coverage. Typically, this coverage is included in the Commercial General Liability policy.

5. Liquor Liability

If the tenant is not in the liquor-selling business, but is serving liquor for a single event, the Commercial General Liability policy is appropriate. If the tenant is in the business of manufacturing, distributing, selling, serving or giving alcoholic beverages to the public or is a landlord of such a business, special liquor liability coverage may be needed.

The Agency should require liquor liability coverage from every tenant that sells or serves alcoholic beverages on Agency property.

6. Professional Liability

This coverage insures the errors and omissions of specific professionals, including physicians, accountants, attorneys, engineers, etc. Medical malpractice is a specific term for physicians' professional liability coverage. Claims-made policies are the standard in this line of coverage.

The Agency should require professional liability when any of these types of professionals will be providing services.

7. Aircraft Liability and Watercraft Liability Insurance

These coverages protect the Other Party against liability for injury to other people and their property arising out of the ownership and/or use of aircraft or watercraft.

This coverage should be required of any contractor using aircraft or watercraft. Aircraft liability coverage should be extended to include passenger liability. Watercraft liability coverage should include Protection and Indemnity coverage for third-parties.

8. Property Insurance

This type of insurance protects against financial loss resulting from destruction of the insured's property by perils such as fire, wind, theft, etc. This is a different type of coverage than property damage liability insurance which covers the insured's legal liability for damage to others' property.

The Agency is responsible for property insurance on their own property and when it has a financial interest in property leased to others. The Agency will purchase the property insurance when it owns the building, rather than requiring the tenant to purchase coverage on behalf of the Agency. The advantages of the Agency purchasing the property insurance on their own property are that it

- a. Ensures that the right amount of coverage is purchased for the value of the property, and
- b. Ensures that premiums will be paid, thus avoiding cancellation for non-payment of premium.

Case #1 – Agency Owns Building and Leases It to Other Party

The Agency will require that the Other Party provide Commercial General Liability insurance and an indemnification/hold harmless agreement. If the Other Party is a residential tenant, they may provide a renters policy, which is commonly referred to in the insurance industry as an HO-4 policy, along with the indemnification/hold harmless agreement.

Case #2 – Other Party Owns Building and Leases It to Agency

If the Agency leases a building from an Other Party, the Other Party (owner of the building) shall provide coverage on the building structure and all of the non-state owned contents. The Agency shall provide coverage for State-owned contents only. Again, an indemnification/hold harmless agreement should be required from the Other Party to protect the Agency from the negligent actions of the Other Party.

Case #3 – Other Party Owns Building on Agency Land

The Other Party shall provide proof of insurance as follows:

- a. Property coverage using, at least, the Causes of Loss-Basic Form (sometimes referred to as fire and extended coverage) with the covered perils defined as fire, lightning, explosion, windstorm, hail, smoke, aircraft or vehicles, smoke, riot or civil commotion, vandalism, sprinkler leakage, sinkhole collapse, and volcanic

action, and

- b. Insure the building and contents to at least 90% of the replacement cost.
- c. The Agency should also be added as an additional insured on the Other Party's general liability policy and the Other Party shall issue an indemnification/hold harmless agreement protecting the Agency from the negligent actions of the Other Party.

Case #4 – Agency Owns Building on Other Party's Land

The Agency should request an indemnification/hold harmless agreement from the owner of the land (Other Party) for the negligent actions of the Other Party not relating to occurrences which are the negligence of the State.

9. Builders Risk

This provides property coverage for buildings under construction. It protects both the owner and the contractor because both have a financial investment in the project until it is completed. Once completed and turned over to the owner, the builders risk coverage ends and a regular property policy then insures the building. Builders risk has nearly identical wording of a property policy and covers the same types of perils.

This coverage should be required of any general contractor constructing a new building, adding an addition to an existing structure, or renovating a building where the majority of the building is under the contractor's control. Demolition of a building is not considered construction and this coverage is not needed.

In the case of a specialized contractor providing installation services, such as roofing, drywall, or carpet installation or an HVAC equipment contractor, an "Installation Floater" is needed in lieu of a Builders Risk policy. An installation floater provides many of the same coverages but is tailored for specialty contractors.

10. Bonds

Surety: Guarantees that the Other Party will meet its financial obligations during the term of the contract

Fidelity (Dishonesty): Protects the Agency from dishonest acts of the Other Party's employees

Performance: Guarantees Other Party's satisfactory completion of the contracted project

The type of work being done will dictate which bonds are applicable. L.R.S. 38:2241(A)(2) requires that a surety bond be provided by the contractor for all public construction contracts over \$25,000.

11. Crime Coverage

This protects the Other Party from the loss of property or money due to the criminal actions of a third party. Examples include break-ins where there is obvious forced entry and hijacking of armored cars transporting money. Policy limits are determined based on the estimated maximum amount of property/funds that would be targeted for theft at any one time.

12. Pollution Liability

This provides specialized coverage for hazardous operations and activities that could damage the environment. Contractors working with any type of potential pollutant, such as oil, gasoline, asbestos, hazardous waste, lead, etc. must carry this coverage for both gradual release and sudden and accidental release. Claims-made policies are the standard in this line of coverage.

The Agency should require pollution liability when a contractor will be remediating, transporting, or maintaining hazardous materials, even incidentally, during the course of its work for the Agency.

13. X, C, U Hazard Liability

X = Explosion

C = Collapse

U = Damage to underground property

Commercial General Liability policies automatically insure liability for these risks, as they are NOT excluded in the policy. However, they may be excluded by endorsement. Certain types of contractors may have to pay additional premiums to buy back these coverages because of their high exposure.

14. Waiver of Subrogation

Waiver of subrogation means that one party relinquishes the right to seek reimbursement for a loss they have paid from the party responsible for that loss. It is often required that a waiver of subrogation be added to a Contractor's workers compensation policy to prevent the workers compensation insurer from paying the claim of the Contractor's injured employee and then seeking reimbursement from the Agency (for example, if a defect in the Agency's premises caused the injury).

15. Owners Protective Liability (OPL) – formerly known as Owners and Contractors Protective Liability (OCP)

An Agency may be exposed to vicarious liability for the actions of independent contractors. Even if an Agency exercises no control over the way in which work is performed by its independent contractor, the Agency can still be held liable for injury or damage arising out of the independent contractor's work in certain circumstances.

The OPL policy is usually purchased by the contractor in the name of the party for whom the work is to be done (owner). The contractor or subcontractor purchasing it has limited coverage under this type of policy.

Per R.S. 9:2780.1 of the Regular Session 2010, specific contracts, most importantly construction contracts, cannot require the contractor to purchase liability insurance to cover the acts or omissions of the project owner when an indemnification agreement is present in the contract. Therefore, an OPL policy is not required as part of these insurance recommendations. If an OPL is needed for a specific project, consult the Underwriting unit at ORM for further guidance.

C. Hold Harmless Versus Indemnification Agreements

Although they are often used interchangeably, there are subtle but distinct differences between hold harmless agreements and indemnification agreements.

A hold harmless agreement is a legal arrangement in which one party agrees to hold the other party free from responsibility for any liability or damage caused to the first party that might arise out of the other party's implementation of the contract. Simple hold harmless agreements can also be called "waivers of liability". For example, many leases include a hold harmless clause in which the tenant agrees not to sue the landlord if the tenant is injured due to the landlord's failure to maintain the premises.

An indemnification agreement is a legal arrangement where one party agrees to make the other party "whole" by paying for loss the first party may suffer due to the other party's implementation of the contract. For example, a tenant may agree in a lease to indemnify the landlord for any damages incurred by the landlord due to the tenant's actions. The term "indemnify" means to compensate or pay on behalf of. Indemnity will include, not only payment for damages, but also the cost of legal defense if a third-party files a lawsuit against both parties to the contract for damages that they incurred. The person who pays for another is called the indemnitor and the person who receives the payment from another is called the indemnitee.

Most often you will see a combination of hold harmless and indemnification wording together in one agreement. One party desires to have the other party hold them harmless for any liability AND pay for their losses and/or defense. The most advantageous wording for the Agency's protection includes all three terms: "The Other Party agrees to hold harmless, defend, and indemnify the Agency..."

L. R. S. 38:2195 limits the State from assuming liability for injuries or damages caused by the negligence or fault of any other party besides the State itself. The hold harmless/indemnification agreements found in this manual are worded carefully to comply with this law as not to provide intent for the State to assume and pay for another's negligence.

CHAPTER 5

WHICH EXHIBIT TO USE

The following describes which insurance wording is needed for different types of contracts. The insurance wording found in Exhibits A, B, or C should be made part of all Agency bid specifications and should be included in the contract between the Agency and the Other Party.

If it is determined that Exhibit C is to be used, then the Indemnification Agreement for joint ventures needs to be drafted separately because of the complexity of issues of joint ventures as described in Chapter 3. Contact your Agency's legal counsel or the Underwriting Unit at ORM for guidance.

If the contract involves a large construction project, use Exhibit D in its entirety ONLY.

Examples of contracts which fall under the Exhibits are as follows:

<u>EXHIBIT A</u>	<u>EXHIBIT B</u>	<u>EXHIBIT D</u>
Janitorial Services	Leases	Large New Construction
Movers	Tenants	Building Additions
Equipment Maintenance	Renters	Building-wide Renovations
Towing Services	<i>Use of Premises for:</i>	
Tree/Landscape Services	Weddings	
Welding	Club Functions	
Plumbing	Meetings	
Painting	Dances	
Electrical	Craft Exhibits	
Fireworks	Classes	
Engineers	Animal Shows	
Architects	<i>Use of Property for Recreational Activities:</i>	
Consultants	Sporting Events	
Concessionaires	Picnics	
Supplies (Installation required)	Camping	

CHAPTER 6

INSURANCE AND INDEMNIFICATION **ADDITIONAL EXPLANATION OF EXHIBITS A - D**

Before commencing work, the Other Party shall obtain at its own cost and expense the following insurance placed with insurance companies authorized to do business in the State of Louisiana with A.M. Best ratings of **A-:VI or higher**. The Other Party shall provide evidence of such insurance as required by the Agency. The Certificates of insurance shall confirm that a thirty-day policy cancellation notice has been provided to the Agency for all of the following stated insurance policies. All cancellation notices shall name the Other Party and identify the agreement or contract number.

A. **Workers Compensation**

Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Other Party's headquarters. Employers Liability is included with a minimum limit of \$500,000 per accident/per person/per disease. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included and the Employers Liability limit increased to a minimum of \$1,000,000. If A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

B. **Commercial General Liability**

Commercial General Liability insurance, including Personal and Advertising Injury Liability, shall have a minimum limit per occurrence of \$1,000,000 and a minimum general aggregate of \$2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

C. **Automobile Liability**

Automobile Liability Insurance shall have a minimum combined single limit per occurrence of \$1,000,000. The ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for the following automobile coverage classes:

1. Owned automobiles
2. Hired automobiles
3. Non-owned automobiles

Location of operations shall be "All Locations".

Note: If the vendor/contractor does not own an automobile and an automobile is utilized in the execution of the contract, then only hired and non-owned coverage is acceptable. If an automobile is not utilized in the execution of the contract, then automobile coverage is not required.

D. **Professional Liability**

Professional Liability shall have minimum limit of \$1,000,000. Claims-made coverage is acceptable. This coverage may be listed in the "Special Conditions" of the bid/contract.

- E. If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Other Party shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance as required in the contract. Upon failure of the Other Party to furnish, deliver and maintain such insurance as above provided, this contract, at the election of the Agency, may be suspended, discontinued or terminated. Failure of the Other Party to purchase and/or maintain any required insurance shall not relieve the Other Party from any

liability or indemnification under the contract.

F. All Certificates of Insurance of the Other Party shall reflect the following:

- 1) The Other Party's insurer will have no right of recovery or subrogation against the Agency. It is the intention of the parties that the Other Party's insurance policies shall protect both parties and shall be the primary coverage for any and all losses that occur under the contract.
- 2) The Agency shall be named as an additional insured as regards negligence by the contractor. The ISO Form CG 20 10 (current form approved for use in Louisiana), or equivalent, is to be used when applicable.
- 3) The insurance companies issuing the policy or policies shall have no recourse against the Agency for payment of any premiums or for assessments under any form of the policy or policies.

G. The following Indemnification Agreement shall be a provision of the contract:

The Other Party agrees to save and hold harmless, protect, defend, and indemnify the State of Louisiana, all State Departments, Agencies, Boards and Commissions, its officers, agents, employees and volunteers, from and against any and all claims, demands, expenses and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur or in any way grow out of any act or omission of the Other Party, its agents, servants and employees, or any and all costs, expenses and/or attorney fees incurred by the Other Party as a result of any claim, demands, and/or causes of action, except those claims, demands, and/or causes of action arising out of the negligence of the State of Louisiana, all State Departments, Agencies, Boards, Commissions, its agents, representatives, employees and volunteers. The Other Party agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands or suits at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claim, demand or suit is groundless, false or fraudulent.

- H. Any deductibles or self-insured retentions must be declared to and accepted by the Agency. Any and all deductibles shall be assumed in their entirety by the Other Party.
- I. All property losses caused by the actions of the Other Party shall be adjusted with and made payable to the Agency.
- J. Neither the acceptance of the completed work nor payment shall release the Other Party from the insurance requirements and indemnification agreement obligations.
- K. Additional insurance may be required on an individual basis for hazardous activities and specific service agreements. If such additional insurance is required for a specific contract, that requirement should be added to the list of required coverages found in the appropriate Exhibit.
- L. If the Other Party does not continue to comply with all of the insurance requirements at any time during the contract or at contract renewal, the Agency has the following options:
1. Payments to the Other Party may be withheld until the requirements have been met;
 2. The Agency may pay any renewal policy premiums and withhold such payments from any monies due the Other Party;
 3. The Agency may suspend, discontinue or terminate the contract.

CHAPTER 7

OBTAINING PROOF OF COMPLIANCE

It is standard practice for the Other Party to submit a Certificate of Insurance as proof of compliance with insurance requirements contained in any bid or contract. The Acord™ Certificate Form is the most widely accepted form in the insurance industry. The Certificate must be signed by an authorized representative of the Other Party's insurer and sent to the Agency before work can begin.

The Certificate is for informational purposes and it imparts no rights upon the Certificate Holder that have not already been provided in the actual insurance policy. The insurance codes of some states limit Certificate Holder's rights and various court decisions may affect a Certificate Holder's rights; consequently, the Agency should also obtain a signed Indemnification/Hold Harmless Agreement in addition to Certificates.

Items that must be added by endorsement to the Other Party's insurance are not automatic, including naming the Agency as an additional insured, providing a waiver of subrogation in favor of the Agency, and any specific notification requirements. The Other Party's insurance agent should obtain all necessary endorsements first and then issue the Certificate of Insurance describing the coverage that has already been put in place.

LA R.S. 22:890 and the Louisiana Department of Insurance (LDI) Regulation 99 specifically govern the issuance of Certificates of Insurance. Certificate forms and the verbiage that can be written on them are heavily regulated through the LDI. Actual policies of insurance may have to be obtained from the Other Party to completely confirm that all insurance requirements have been met.

Problems can be eliminated by properly reviewing the Certificate of Insurance and/or insurance policies either during bid evaluations or before the contract is signed. It is important that the Agency assess the financial stability of the Other Party's insurers. Using the A.M. Best rating system (www.ambest.com), this is more easily accomplished. If the insurer meets or exceeds the rating in the insurance requirements, then the insurance company is acceptable. If an insurer does not meet the minimum A.M. Best rating, the Other Party shall obtain a policy with an insurer that does meet the A.M. Best rating at the Agency's request.

Keep in mind that if the contract is longer than one year or the policy period of the insurance expires during the contract period, then the Agency must make sure the insurance has been renewed by requesting an updated Certificate of Insurance. It may be helpful to place a coverage check on a 30 day diary prior to the insurance expiration date of policies expiring during the project. If, at diary date, coverage renewal or replacement hasn't taken place, the Other Party should be informed that a new Certificate of Insurance needs to be completed. The Agency should request confirmation of continued coverage immediately and the Certificates of Insurance and/or insurance policies returned promptly before the coverage expiration date.

All Certificates of Insurance associated with a particular contract must be kept for a minimum of five years, since this may be the only record of coverage available. The Other Party's insurer must be notified in writing immediately of any incidents or claims arising out of the Other Party's actions or products. Because some policies impose strict deadlines on claims reporting, immediate notification is always essential to avoid coverage problems in this area.

The following pages include a basic Certificate review checklist. The Agency can modify it to include their exact standard insurance requirements.

Also, an example of a standard Certificate of Insurance is included to illustrate the recommended insurance coverages and limits.

Certificate Review Checklist

No**	Yes	
		Date of issue is current
		Producer: Name and contact information of the insurance broker/agency is listed
		Insured: EXACT name and address of Other Party that is under contract with the Agency
		Insurers Affording Coverage: Each insurance company has an A.M. Best Rating of A-: VI, EXCEPT the Workers Compensation insurer (www.ambest.com),
		Coverages: General Liability
		Occurrence box is marked
		General Aggregate Limit Applies Per Project is marked
		“ADDL INSR” box is checked or has a “Y”
		“SUBR WVD” box is checked or has a “Y”
		Policy Number is listed
		Policy Effective and Expiration Dates are listed AND the contract start date falls within the dates listed
		Each Occurrence limit is at least \$1,000,000
		Personal Injury Limit is at least \$1,000,000
		General Aggregate Limit is at least \$2,000,000
		Products-Completed Operations Aggregate (if applicable) is at least \$2,000,000
		Coverages: Automobile Liability
		Any Auto is marked OR All Owned, Hired and Non-Owned Autos are marked
		“ADDL INSR” box is checked or has a “Y”
		“SUBR WVD” box is checked or has a “Y”
		Policy Number is listed
		Policy Effective and Expiration Dates are listed AND the contract start date falls within the dates listed
		Combined Single Limit is at least \$1,000,000

No**	Yes	
		Coverages: Excess/Umbrella Liability (if listed)
		Occurrence box is marked
		"ADDL INSR" box is checked or has a "Y"
		"SUBR WVD" box is checked or has a "Y"
		Policy Number is listed
		Policy Effective and Expiration Dates are listed AND the contract start date falls within the dates listed
		Each Occurrence and Aggregate Limit is listed AND, if the CGL and AL limits above do NOT meet the insurance requirements, by adding this excess/umbrella limit to each now make CGL and AL meet the requirements
		Coverages: Workers Compensation and Employers Liability
		Any Proprietor/Partner/Executive Officer/Member Excluded? is marked No. If it is Yes, then names should be listed in Special Provisions section. Make sure those names are NOT working on site under the Agency contract. If they will be, then their Workers Comp is out of compliance.
		"SUBR WVD" box is checked or has a "Y"
		Policy Number is listed
		Policy Effective and Expiration Dates are listed AND the contract start date falls within the dates listed
		Employers Liability Each Accident/Disease Each Employee/Disease Policy Limit is at least \$500,00 (\$1,000,000 if work is over water)
		LHWCA, Jones Act, or other maritime law coverage is listed, if applicable
		Coverages: Other (if listed) (May be listed as Professional Liability, Pollution Liability, Aircraft Liability, Watercraft Liability, etc.)
		"ADDL INSR" box is checked or has a "Y", if applicable to the coverage listed
		"SUBR WVD" box is checked or has a "Y", if applicable to the coverage listed
		Policy Number is listed
		Policy Effective and Expiration Dates are listed AND the contract start date falls within the dates listed
		Each Occurrence liability limit is at least \$1,000,000
		Coverages: Description of Operations/Locations/Etc.
		Certificate Holder is the name and address of your Agency
		Authorized Representative section is signed

**If any of the above are marked "No", then reviewer must contact the Other Party for further explanation. If the explanation is reasonable and will not affect the Agency's protection under the Other Party's insurance and/or cause increased liability to the State, then it can be accepted. Please contact the

Underwriting Unit at ORM for assistance if needed.

Certificate listing all required coverages

[Click here for Example Certificate in pdf format](#)

EXHIBITS AND SUPPLEMENTS

Exhibit A - Insurance Requirements for Contractors

Exhibit B - Insurance Requirements for Lessee
(No Auto Risks)

Exhibit C - Insurance Requirements for Joint Ventures

Exhibit D - Insurance Requirements for New Construction, Additions and
Large Renovations

Exhibit E - Indemnification/Hold Harmless Agreement

EXHIBIT A

INSURANCE REQUIREMENTS FOR CONTRACTORS

The Contractor shall purchase and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

A. MINIMUM SCOPE AND LIMITS OF INSURANCE

1. **Workers Compensation**

Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Contractor's headquarters. Employers Liability is included with a minimum limit of \$500,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included and the Employers Liability limit increased to a minimum of \$1,000,000. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

2. **Commercial General Liability**

Commercial General Liability insurance, including Personal and Advertising Injury Liability, shall have a minimum limit per occurrence of \$1,000,000 and a minimum general aggregate of \$2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

3. **Automobile Liability**

Automobile Liability Insurance shall have a minimum combined single limit per occurrence of \$1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.

B. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to and accepted by the Agency. The Contractor shall be responsible for all deductibles and self-insured retentions.

C. OTHER INSURANCE PROVISIONS

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverages

- a. The Agency, its officers, agents, employees and volunteers shall be named as an additional insured as regards negligence by the contractor. ISO Form CG 20 10 (current form approved for use in Louisiana), or equivalent, is to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the Agency.
- b. The Contractor's insurance shall be primary as respects the Agency, its officers, agents, employees and volunteers. Any insurance or self-insurance maintained by the Agency shall be excess and non-contributory of the Contractor's insurance.
- c. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Agency, its officers, agents, employees and volunteers.
- d. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the policy limits.

2. Workers Compensation and Employers Liability Coverage

The insurer shall agree to waive all rights of subrogation against the Agency, its officers, agents, employees and volunteers for losses arising from work performed by the Contractor for the Agency.

3. All Coverages

- a. Coverage shall not be canceled, suspended, or voided by either party (the Contractor or the insurer) or reduced in coverage or in limits except after 30 days written notice has been given to the Agency. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy.
- b. Neither the acceptance of the completed work nor the payment thereof shall release the Contractor from the obligations of the insurance requirements or indemnification agreement.
- c. The insurance companies issuing the policies shall have no recourse against the Agency for payment of premiums or for assessments under any form of the policies.
- d. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Agency, its officers, agents, employees and volunteers.

D. ACCEPTABILITY OF INSURERS

All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with a A.M. Best's rating of **A-:VI or higher**. This rating requirement may be waived for workers compensation coverage only.

If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance as required in the contract.

E. VERIFICATION OF COVERAGE

Contractor shall furnish the Agency with Certificates of insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Agency before work commences and upon any contract renewal thereafter.

In addition to the Certificates, Contractor shall submit the declarations page and the cancellation provision endorsement for each insurance policy. The Agency reserves the right to request complete certified copies of all required insurance policies at any time.

Upon failure of the Contractor to furnish, deliver and maintain such insurance as above provided, this contract, at the election of the Agency, may be suspended, discontinued or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the contract.

F. SUBCONTRACTORS

Contractor shall include all subcontractors as insureds under its policies OR shall be responsible for verifying and maintaining the Certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Agency reserves the right to request copies of

subcontractor's Certificates at any time.

G. WORKERS COMPENSATION INDEMNITY

In the event Contractor is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its owners, agents and employees. The parties further agree that Contractor is a wholly independent contractor and is exclusively responsible for its employees, owners, and agents. Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this contract.

H. INDEMNIFICATION/HOLD HARMLESS AGREEMENT

Contractor agrees to protect, defend, indemnify, save, and hold harmless, the State of Louisiana, all State Departments, Agencies, Boards and Commissions, its officers, agents, servants, employees, and volunteers, from and against any and all claims, damages, expenses, and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur, or in any way grow out of, any act or omission of Contractor, its agents, servants, and employees, or any and all costs, expenses and/or attorney fees incurred by Contractor as a result of any claims, demands, suits or causes of action, except those claims, demands, suits, or causes of action arising out of the negligence of the State of Louisiana, all State Departments, Agencies, Boards, Commissions, its officers, agents, servants, employees and volunteers.

Contractor agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands, suits, or causes of action at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claims, demands, suits, or causes of action are groundless, false or fraudulent.

EXHIBIT B

INSURANCE REQUIREMENTS FOR LESSEES (NO AUTO RISKS)

Lessee shall purchase and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Lessee's operation and use of the leased premises. The cost of such insurance shall be borne by the Lessee.

A. MINIMUM SCOPE AND LIMITS OF INSURANCE

1. Workers Compensation

Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Contractor's headquarters. Employers Liability is included with a minimum limit of \$500,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included and the Employers Liability limit increased to a minimum of \$1,000,000. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

2. Commercial General Liability

Commercial General Liability insurance, including Personal and Advertising Injury Liability, shall have a minimum limit per occurrence of \$1,000,000 and a minimum general aggregate of \$2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

B. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to and accepted by the Agency. The Contractor shall be responsible for all deductibles and self-insured retentions.

C. OTHER INSURANCE PROVISIONS

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability Coverage

- a. The Agency, its officers, agents, employees and volunteers shall be named as an additional insured as regards negligence by the contractor. ISO Form CG 20 10 (current form approved for use in Louisiana), or equivalent, is to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the Agency.
- b. The Lessee's insurance shall be primary as respects the Agency, its officers, agents, employees and volunteers. Any insurance or self-insurance maintained by the Agency shall be excess and non-contributory of the Lessee's insurance.
- c. Any failure of the Lessee to comply with reporting provisions of the policy shall not affect coverage provided to the Agency, its officers, agents, employees and volunteers.
- d. The Lessee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the policy limits.

2. Workers Compensation and Employers Liability Coverage

The insurer shall agree to waive all rights of subrogation against the Agency, its officers, agents, employees and volunteers for losses arising from or in connection with the Lessee's operation and use of the leased premises.

3. **All Coverages**

- a. Coverage shall not be canceled, suspended, or voided by either party (the Lessee or the insurer) or reduced in coverage or in limits except after 30 days written notice has been given to the Agency. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Lessee's policy.
- b. The insurance companies issuing the policies shall have no recourse against the Agency for payment of premiums or for assessments under any form of the policies.
- c. Any failure of the Lessee to comply with reporting provisions of the policy shall not affect coverage provided to the Agency, its officers, agents, employees and volunteers.

D. ACCEPTABILITY OF INSURERS

All required insurance shall be provided by a company or companies lawfully authorized to do business in Louisiana. Insurance shall be placed with insurers with a A.M. Best's rating of **A-VI or higher**. This rating requirement may be waived for workers compensation coverage only.

If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Lessee shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance as required in the contract.

E. VERIFICATION OF COVERAGE

Lessee shall furnish the Agency with Certificates of insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Agency before work commences and upon any contract renewal thereafter.

In addition to the Certificates, Contractor shall submit the declarations page and the cancellation provision endorsement for each insurance policy. The Agency reserves the right to request complete certified copies of all required insurance policies at any time.

Upon failure of the Lessee to furnish, deliver and maintain such insurance as above provided, this contract, at the election of the Agency, may be suspended, discontinued or terminated. Failure of the Lessee to purchase and/or maintain any required insurance shall not relieve the Lessee from any liability or indemnification under the contract.

F. SUB-LEASES

If sub-leases are acceptable to the Agency, primary Lessee shall be responsible for verifying and maintaining the Certificates provided by each sub-lessee. Sub-lessees shall be subject to all of the requirements stated herein. The Agency reserves the right to request copies of sublessees' Certificates at any time.

G. WORKERS COMPENSATION INDEMNITY

In the event Lessee is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that Lessee, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the

State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Lessee, its owners, agents and employees. The parties further agree that Lessee is a wholly independent contractor and is exclusively responsible for its employees, owners, and agents. Lessee hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this contract.

H. INDEMNIFICATION/HOLD HARMLESS AGREEMENT

Lessee agrees to protect, defend, indemnify, save, and hold harmless, the State of Louisiana, all State Departments, Agencies, Boards and Commissions, its officers, agents, servants, employees, and volunteers, from and against any and all claims, damages, expenses, and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur, or in any way grow out of, any act or omission of Lessee, its agents, servants, and employees, or any and all costs, expenses and/or attorney fees incurred by Lessee as a result of any claims, demands, suits or causes of action, except those claims, demands, suits, or causes of action arising out of the negligence of the State of Louisiana, all State Departments, Agencies, Boards, Commissions, its officers, agents, servants, employees and volunteers.

Lessee agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands, suits, or causes of action at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claims, demands, suits, or causes of action are groundless, false or fraudulent.

EXHIBIT C

INSURANCE REQUIREMENTS FOR JOINT VENTURES

The Contractor which enters into a joint venture with the Agency shall purchase and maintain for the duration of the joint venture insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

A. MINIMUM SCOPE AND LIMITS OF INSURANCE

1. Workers Compensation

Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Contractor's headquarters. Employers Liability is included with a minimum limit of \$500,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included and the Employers Liability limit increased to a minimum of \$1,000,000. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

2. Commercial General Liability

Commercial General Liability insurance, including Personal and Advertising Injury Liability, shall have a minimum limit per occurrence of \$1,000,000 and a minimum general aggregate of \$2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

3. Automobile Liability

Automobile Liability Insurance shall have a minimum combined single limit per occurrence of \$1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.

B. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to and accepted by the Agency. The Contractor shall be responsible for all deductibles and self-insured retentions.

D. OTHER INSURANCE PROVISIONS

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverages

- a. The Agency, its officers, agents, employees and volunteers shall be named as an additional insured as regards negligence by the contractor. ISO Form CG 20 10 (current form approved for use in Louisiana), or equivalent, is to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the Agency.
- b. If it can be determined that the claim or occurrence was a direct result of the negligence of the Contractor, the Contractor's insurance coverage shall be primary insurance as respects the Agency, its officers, agents, employees and volunteers. Any insurance or self-insurance maintained by the Agency, its officers, agents, employees or volunteers shall be excess of the Contractor's insurance and shall not contribute with it. If it is determined that the claim or occurrence is the direct result of the Agency, then the Agency's insurance coverage shall be

primary. If it is not clear as to the negligent party in the event of a loss or both party's contributed to the negligent act that caused the loss, both the Contractor's and the Agency's insurance shall share equally in the payment of the claim.

- c. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Agency, its officers, agents, employees and volunteers.
- d. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the policy limits.

2. **Workers Compensation and Employers Liability Coverage**

The insurer shall agree to waive all rights of subrogation against the Agency, its officers, agents, employees and volunteers for losses arising from work performed by the Contractor in conjunction with the Joint Venture.

3. **All Coverages**

- d. Coverage shall not be canceled, suspended, or voided by either party (the Contractor or the insurer) or reduced in coverage or in limits except after 30 days written notice has been given to the Agency. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy.
- e. Neither the acceptance of the completed work nor the payment thereof shall release the Contractor from the obligations of the insurance requirements or indemnification agreement.
- f. The insurance companies issuing the policies shall have no recourse against the Agency for payment of premiums or for assessments under any form of the policies.
- g. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Agency, its officers, agents, employees and volunteers.

D. ACCEPTABILITY OF INSURERS

All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with a A.M. Best's rating of **A-:VI or higher**. This rating requirement may be waived for workers compensation coverage only.

If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance as required in the contract.

E. VERIFICATION OF COVERAGE

Contractor shall furnish the Agency with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Agency before work commences and upon any contract renewal thereafter.

Contractor shall furnish the Agency with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Agency before work commences and upon any contract renewal thereafter.

In addition to the Certificates, Contractor shall submit the declarations page and the cancellation provision endorsement for each insurance policy. The Agency reserves the right to request complete certified copies of all required insurance policies at any time.

Upon failure of the Contractor to furnish, deliver and maintain such insurance as above provided, this contract, at the election of the Agency, may be suspended, discontinued or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the contract.

F. SUBCONTRACTORS

Contractor shall include all subcontractors as insureds under its policies OR shall be responsible for verifying and maintaining the Certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Agency reserves the right to request copies of subcontractor's Certificates at any time.

G. WORKERS COMPENSATION INDEMNITY

In the event Contractor is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its owners, agents and employees. The parties further agree that Contractor is a wholly independent contractor and is exclusively responsible for its employees, owners, and agents. Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this contract.

H. INDEMNIFICATION/HOLD HARMLESS AGREEMENT

Contractor agrees to protect, defend, indemnify, save, and hold harmless, the State of Louisiana, all State Departments, Agencies, Boards and Commissions, its officers, agents, servants, employees, and volunteers, from and against any and all claims, damages, expenses, and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur, or in any way grow out of, any act or omission of Contractor, its agents, servants, and employees, or any and all costs, expenses and/or attorney fees incurred by Contractor as a result of any claims, demands, suits or causes of action, except those claims, demands, suits, or causes of action arising out of the negligence of the State of Louisiana, all State Departments, Agencies, Boards, Commissions, its officers, agents, servants, employees and volunteers.

Contractor agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands, suits, or causes of action at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claims, demands, suits, or causes of action are groundless, false or fraudulent.

EXHIBIT D

**INSURANCE REQUIREMENTS
FOR NEW CONSTRUCTION, ADDITIONS AND LARGE RENOVATIONS**

The Contractor shall purchase and maintain without interruption for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors, or anyone employed directly or indirectly by any of them. The duration of the contract shall be from the inception of the contract until the date of final payment.

A. MINIMUM SCOPE AND LIMITS OF INSURANCE

1. Workers Compensation

Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of Louisiana. Employers Liability is included with a minimum limit of \$500,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included and the Employers Liability limit increased to a minimum of \$1,000,000. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

2. Commercial General Liability

Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products and Completed Operations Liability, shall have a minimum limit per occurrence based on the project value. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

The aggregate loss limit must apply to each project. ISO form CG 25 03 (current form approved for use in Louisiana), or equivalent, shall also be submitted. The State project number, including part number, and project name shall be included on this endorsement.

COMBINED SINGLE LIMIT (CSL) PER OCCURRENCE

<u>Type of Construction</u>	<u>Projects up to \$1,000,000</u>	<u>Projects over \$1,000,000 up to \$10,000,000</u>	<u>Projects over \$10,000,000</u>
New Buildings:			
Each Occurrence Minimum Limit	\$1,000,000	\$2,000,000	\$4,000,000
Per Project Aggregate	\$2,000,000	\$4,000,000	\$8,000,000
Renovations:			
	The building(s) value for the Project is \$_____.		
Each Occurrence Minimum Limit	\$1,000,000**	\$2,000,000**	\$4,000,000**
Per Project Aggregate	2 times per occur limit**	2 times per occur limit**	2 times per occur limit**

** While the minimum Combined Single Limit of \$1,000,000 is required for any renovation, the

limit is calculated by taking 10% of the building value and rounding it to the nearest \$1,000,000 to get the insurance limit. Example: Renovation on a \$33,000,000 building would have a calculated \$3,000,000 combined single limit of coverage (33,000,000 times .10 = 3,300,000 and then rounding down to \$3,000,000). If the calculated limit is less than the minimum limit listed in the above chart, then the amount needed is the minimum listed in the chart. Maximum per occurrence limit required is \$10,000,000 regardless of building value. The per project aggregate limit is then calculated as twice the per occurrence limit.

3. **Automobile Liability**

Automobile Liability Insurance shall have a minimum combined single limit per occurrence of \$1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.

4. **Excess Umbrella**

Excess Umbrella insurance may be used to meet the minimum requirements for General Liability and Automobile Liability only.

5. **Builder's Risk**

Builder's Risk Insurance shall be in an amount equal to the greater of the fully-completed project value or the amount of the construction contract including any amendments and shall be upon the entire work included in the contract. The policy shall provide coverage equivalent to the ISO form number CP 10 20, Broad Form Causes of Loss (extended, if necessary, to include the perils of wind, earthquake, collapse, vandalism/malicious mischief, and theft, including theft of materials whether or not attached to any structure). The policy must include architects' and engineers' fees necessary to provide plans, specifications and supervision of work for the repair and/or replacement of property damage caused by a covered peril, not to exceed 10% of the cost of the repair and/or replacement.

Flood coverage shall be provided by the Contractor on the first floor and below for projects North of the Interstate Corridor beginning at the Texas - Louisiana border at Interstate 10 East to the Baton Rouge junction of Interstate 12, East to Slidell junction with Interstate 10 to the Louisiana - Mississippi border. If flood is included in the builder's risk insurance policy, then the sub-limit shall not be less than ten percent (10%) of the total contract cost per occurrence. If flood is purchased as a separate policy, the limit shall be ten percent (10%) of the total contract cost per occurrence (with a max of \$500,000 if NFIP). Coverage for roofing projects shall **not** require flood coverage.

On projects South of this corridor, flood coverage shall be provided by the State of Louisiana as the owner. The Contractor will be liable for the \$5,000 policy deductible from the Notice to Proceed date through the date of final payment of the project in the event of a flood loss.

A Specialty Contractor may provide an installation floater in lieu of a Builders Risk policy, with the similar coverage as the Builder's Risk policy, upon the system to be installed in an amount equal to the greater of the fully-completed project value or the amount of the contract including any amendments. Flood coverage is not required.

The policy must include coverage for the Owner, Contractor and any subcontractors as their interests may appear.

6. **Pollution Liability** *(required when asbestos or other hazardous material abatement is included in the contract)*

Pollution Liability insurance, including gradual release as well as sudden and accidental, shall have a minimum limit of not less than \$1,000,000 per claim. A claims-made form will be acceptable.

A policy period inception date of no later than the first day of anticipated work under this contract and an expiration date of no earlier than 30 days after anticipated completion of all work under the contract shall be provided. There shall be an extended reporting period of at least 24 months, with full reinstatement of limits, from the expiration date of the policy. The policy shall not be cancelled for any reason, except non-payment of premium.

B. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to and accepted by the Agency. The Contractor shall be responsible for all deductibles and self-insured retentions.

C. OTHER INSURANCE PROVISIONS

The policies are to contain, or be endorsed to contain, the following provisions:

1. Workers Compensation and Employers Liability Coverage

The insurer shall agree to waive all rights of subrogation against the Agency, its officers, agents, employees and volunteers for losses arising from work performed by the Contractor for the Agency.

2. General Liability Coverage

- a. The Agency, its officers, agents, employees and volunteers are to be added as additional insureds as respects liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor, premises owned, occupied or used by the Contractor. ISO Form CG 20 10 (current form approved for use in Louisiana), or equivalent, is to be used.
- b. The Contractor's insurance shall be primary as respects the Agency, its officers, agents, employees and volunteers. The coverage shall contain no special limitations on the scope of protection afforded to the Agency, its officers, officials, employees or volunteers. Any insurance or self-insurance maintained by the Agency shall be excess and non-contributory of the Contractor's insurance.
- c. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the policy limits.

3. Builder's Risk

The policy must include an endorsement providing the following:

In the event of a disagreement regarding a loss covered by this policy which may also be covered by a State of Louisiana self-insurance or commercial property policy through the Office of Risk Management (ORM), Contractor and its insurer agree to follow the following procedure to establish coverage and/or the amount of loss:

Any party to a loss may make written demand for an appraisal of the matter in disagreement. Within 20 days of receipt of written demand, the Contractor's insurer and either ORM or its commercial insurance company shall each select a competent and impartial appraiser and notify the other of the appraiser selected. The two appraisers will select a competent and impartial umpire. The appraisers will then identify the policy or policies under which the loss is insured and, if necessary, state separately the value of the property and the amount of the loss that must be borne by each policy. If the two appraisers fail to agree, they shall submit their differences to the umpire. A written decision by any two shall determine the policy or policies and the amount of the loss. Each insurance company agree that the decision of the

appraisers and the umpire if involved will be binding and final and that neither party will resort to litigation. Each of the two parties shall pay its chosen appraiser and bear the cost of the umpire equally.

4. All Coverages

- h. Coverage shall not be canceled, suspended, or voided by either party (the Contractor or the insurer) or reduced in coverage or in limits except after 30 days written notice has been given to the Agency. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy.
- i. Neither the acceptance of the completed work nor the payment thereof shall release the Contractor from the obligations of the insurance requirements or indemnification agreement.
- j. The insurance companies issuing the policies shall have no recourse against the Agency for payment of premiums or for assessments under any form of the policies.
- k. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Agency, its officers, agents, employees and volunteers.

D. ACCEPTABILITY OF INSURERS

All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with a A.M. Best's rating of **A-:VI or higher**. This rating requirement may be waived for workers compensation coverage only.

If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance as required in the contract.

E. VERIFICATION OF COVERAGE

Contractor shall furnish the Agency with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Agency before work commences and upon any contract renewal thereafter. The Certificate Holder must be listed as follows:

State of Louisiana
Name of Agency
Agency Address
City, State Zip
Attn: Project # _____

In addition to the Certificates, Contractor shall submit the declarations page and the cancellation provision endorsement for each insurance policy. The Agency reserves the right to request complete certified copies of all required insurance policies at any time.

Upon failure of the Contractor to furnish, deliver and maintain such insurance as above provided, this contract, at the election of the Agency, may be suspended, discontinued or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the contract.

If the Contractor does not meet the insurance requirements at policy renewal, at the option of the Agency, payment to the Contractor may be withheld until the requirements have been met, OR the Agency may pay the renewal premium and withhold such payment from any monies due the Contractor, OR the contract may be suspended or terminated for cause.

F. SUBCONTRACTORS

Contractor shall include all subcontractors as insureds under its policies OR shall be responsible for verifying and maintaining the Certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Agency reserves the right to request copies of subcontractor's Certificates at any time.

If Contractor does not verify subcontractors' insurance as described above, Agency has the right to withhold payments to the Contractor until the requirements have been met.

G. WORKERS COMPENSATION INDEMNITY

In the event Contractor is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its owners, agents and employees. The parties further agree that Contractor is a wholly independent Contractor and is exclusively responsible for its employees, owners, and agents. Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this contract.

H. INDEMNIFICATION/HOLD HARMLESS AGREEMENT

Contractor agrees to protect, defend, indemnify, save, and hold harmless, the State of Louisiana, all State Departments, Agencies, Boards and Commissions, its officers, agents, servants, employees, and volunteers, from and against any and all claims, damages, expenses, and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur, or in any way grow out of, any act or omission of Contractor, its agents, servants, and employees, or any and all costs, expenses and/or attorney fees incurred by Contractor as a result of any claims, demands, suits or causes of action, except those claims, demands, suits, or causes of action arising out of the negligence of the State of Louisiana, all State Departments, Agencies, Boards, Commissions, its officers, agents, servants, employees and volunteers.

Contractor agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands, suits, or causes of action at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claims, demands, suits, or causes of action are groundless, false or fraudulent.

SCHEDULE OF VALUES

The Contractor is to use the following format. The total Contract Cost is to be itemized in each Subsection listed (as applicable)

	Quantity	Cost
DIVISION 01 – GENERAL REQUIREMENTS		
01 00 00 General Requirements	_____	_____
01 33 00 Record Drawings, Shop Drawings, Product Data, Samples and other submittals.	_____	_____
	TOTAL	_____
DIVISION 02 – EXISTING CONDITIONS		
DIVISION 03 – CONCRETE		
03 01 00 Maintenance of Concrete	_____	_____
03 11 00 Concrete Forming	_____	_____
03 15 00 Concrete Accessories	_____	_____
03 20 00 Concrete Reinforcing	_____	_____
03 30 00 Cast-in-place Concrete	_____	_____
03 40 00 Precast Concrete	_____	_____
03 50 00 Cast Decks & Underlayment	TOTAL	_____
DIVISION 04 – MASONRY		
DIVISION 05 – METALS		
DIVISION 06 – WOOD, PLASTICS, & COMPOSITES		
06 05 60 Laminate	_____	_____
06 10 00 Rough Carpentry	_____	_____
06 15 33 Wood & Patio Decking	_____	_____
06 16 00 Sheathing	_____	_____
06 20 23 Interior Finish Carpentry	SUB-TOTAL	_____

DIVISION 07 – THERMAL AND MOISTURE
PROTECTION

- 07 31 13 Asphalt Shingles
- 07 46 61 Fiber Cement Siding & Trim
- 07 46 16 Aluminum Siding
- 07 25 00 Weather Barriers

DIVISION 08 – OPENINGS

TOTAL

- 08 11 00 Metal Doors and Frames
- 08 14 00 Wood Doors
- 08 51 00 Vinyl Windows
- 08 90 00 Hardware
- 08 83 00 Mirrors

TOTAL

DIVISION 09 – FINISHES

- 09 29 00 Gypsum Board
- 09 30 00 Tile
- 09 30 01 Solid Vinyl Floor Tile
- 09 68 16 Sheet Carpeting
- 09 91 13 Exterior Painting
- 09 91 23 Interior Painting

SUB-TOTAL

DIVISION 12 – FURNISHINGS

12 20 00 Window Treatments
12 30 00 Casework
12 40 00 Furnishings and Accessories
12 50 00 Furniture

_____	_____
_____	_____
_____	_____
_____	_____
TOTAL	_____

DIVISION 13 –SPECIAL CONSTRUCTION

DIVISION 14 – CONVEYING EQUIPMENT

DIVISION 21 – FIRE SUPPRESSION

DIVISION 22 – PLUMBING

22 07 00 Plumbing Insulation	_____	_____
22 11 00 Facility Water Distribution	_____	_____
22 13 00 Facility Sanitary Sewerage	_____	_____
22 14 00 Facility Storm Drainage	_____	_____
22 30 00 Plumbing Equipment	_____	_____
22 40 00 Plumbing Fixtures	_____	_____
	TOTAL	_____

DIVISION 23 – HEATING, VENTILATING, & AIR-
CONDITIONING

23 05 93 Testing, Adjusting, & Balancing for HVAC	_____	_____
23 07 00 HVAC Insulation	_____	_____
23 09 00 Instrumentation & Control for HVAC	_____	_____
23 13 00 Facility Fuel-Storage Tanks	_____	_____
23 20 00 HVAC Piping and Pumps	_____	_____
23 30 00 HVAC Air Distribution	_____	_____
23 40 00 HVAC Air Cleaning Devices	_____	_____
23 50 00 Central Heating Equipment	_____	_____
23 60 00 Central Cooling Equipment	_____	_____
23 70 00 Central HVAC Equipment	_____	_____
	TOTAL	_____

DIVISION 26 – ELECTRICAL

26 09 00 Instrumentation & Control for Electrical Systems	_____	_____
26 10 00 Medium-Voltage Electrical Distribution	_____	_____
26 20 00 Low-Voltage Electrical Transmission	_____	_____
26 27 00 Low-Voltage Distribution Equipment	_____	_____
26 30 00 Facility Electrical Power Generating & Storage Equipment	_____	_____
26 40 00 Electrical and Cathodic Protection	_____	_____
26 50 00 Lighting	_____	_____

DIVISION 27 – COMMUNICATIONS

DIVISION 28 – ELECTRONIC SAFETY AND SECURITY

DIVISION 31 – EARTHWORK

31 10 00	Site Clearing	_____	_____
31 20 00	Earth Moving	_____	_____
31 31 00	Soil Treatment	_____	_____
31 32 00	Soil Stabilization	_____	_____
31 40 00	Shoring and Underpinning	_____	_____
31 50 00	Excavation Support and Protection	_____	_____
31 60 00	Special Foundations and Load-Bearing Elements	_____	_____
		TOTAL	_____

DIVISION 32 – EXTERIOR IMPROVEMENTS

32 10 00	Bases, Ballasts, and Paving	_____	_____
32 30 00	Site Improvements	_____	_____
32 90 00	Planting	_____	_____
		TOTAL	_____

DIVISION 33 – UTILITIES

33 10 00	Water Utilities	_____	_____
33 30 00	Sanitary Sewerage Utilities	_____	_____
33 40 00	Storm Drainage Utilities	_____	_____
33 50 00	Fuel Distribution Utilities	_____	_____
33 60 00	Hydronic & Steam Energy Utilities	_____	_____
33 70 00	Electrical Utilities	_____	_____
33 80 00	Communications Utilities	_____	_____
		TOTAL	_____

DIVISION 34 – TRANSPORTATION

34 00 00	Transportation	_____	_____
		TOTAL	_____

DIVISION 35 – WATERWAY AND MARINE CONSTRUCTIONS

35 00 00	Waterway and Marine construction	_____	_____
		TOTAL	_____

DIVISION 40-43 – PROCESS EQUIPMENT

DIVISION 44 – POLLUTION CONTROL
EQUIPMENT

44 40 00	Water Treatment Equipment	_____	_____
44 41 00	Packaged Water Treatment Plants	_____	_____
44 50 00	Solid Waste Control	_____	_____
		TOTAL	_____

DIVISION 45 – INDUSTRY SPECIFIC
MANUFACTURING
EQUIPMENT

DIVISION 48 – ELECTRICAL POWER
GENERATION

48 10 00	Electrical Power Generation Equipment	_____	_____
48 70 00	Electrical Power Generation Testing	_____	_____
		TOTAL	_____

Louisiana Military Department-Contracting
CHANGE ORDER

PROJECT NAME: _____ CHANGE ORDER NO: _____
 PROJECT NUMBER: _____ CONTRACT DATE: _____
 CONTRACTOR: _____ CFMS No. _____
 SITE CODE: _____ STATE ID: _____

Request your proposal to make the following change(s) in this contract. Attach SUMMARY, BREAKDOWN and/or UNIT PRICE BREAKDOWN forms as required and give a brief description of the change(s) below.

The Original Contract Sum _____
 Total Changes by Previous Change Order(s) _____
 Current Contract Sum _____
 Contract Sum will be (increased) (decreased) (unchanged) by this Change Order _____
New Contract Sum _____

The Original Contract Completion Date and Contract Time. Date: _____ DAYS
 Total Time extended by Previous Change Order(s) _____ DAYS
 Contract Time will be (increased) (decreased) (unchanged) by this Change Order _____ DAYS
New Contract Completion Date & Revised Contract Time Date: _____ DAYS

Added Building Area _____ (Sq. Ft.)

NOTE: No additional increase in time or money will be considered for a Change Order item after it has been executed.

RECOMMENDED	PROPOSER	REVIEWER
Designer's Name: _____	Contractor's Name: _____	Project Manager: _____
Address: _____	Address: _____	Louisiana Military Department Louisiana National Guard
By: _____	By: _____	By: _____
Date: _____	Date: _____	Date: _____

LOUISIANA MILITARY DEPARTMENT-CONTRACTING USE ONLY

Classification	Amount	Classification	Amount
Omission (Type "O")*	_____	Miscellaneous (Type "M")	_____
Error (Type "E")*	_____	Owner Requested (Type "R")	_____

*See Section 5.4.3 of the Louisiana Capital Improvement Projects Procedure Manual for Design and Construction, 2006 Edition

Senior Manager/Assistant Director approval: _____

COMMENTS: _____

Construction Contract Change Order SUMMARY

Louisiana Military Department-Contracting

Item No. _____

RFI No. (or COR, CPR, etc.) _____

Date: _____

State Project No. _____

Project Name: _____

Contractor Name: _____

Description of Work: _____

General Contractor Direct Costs - Breakdown No. _____

(See attached breakdown)

Total General Contractor Cost

(General Contract Direct Cost plus OH&P)

_____ %
(Max: 15%)

Subcontractor Cost Breakdowns

(See attached.)

Subcontractor Direct Costs Total

(Sum column A)

\$ -

Subcontractor Direct Costs + Subcontractor OH&P

(Sum column C)

General Contractor OH&P on Subcontractor Direct Cost at

(Sum column A times General Contractor OH&P rate.)

_____ %
(Max: 10%)

Total Subcontractor Costs

(Subcontractor Direct Costs + OH&P + General Contractor OH&P)

Change Order Subtotal

(Sum of Total General Contractor Costs and Total Subcontractor Costs)

Performance and Payment Bond at

(Change Order Subtotal times Performance and Payment Bond rate)

_____ %

Amount will be

increased decreased unchanged by

(Sum of Change Order Subtotal and Performance and Payment Bond)

Days will be

increased decreased unchanged by

(Attach supporting data such as meteorological reports)

Construction Contract Change Order Request BREAKDOWN

Louisiana Military Department-Contracting

Breakdown No. _____

Item No. _____

RFI No. (or COR, CPR, etc.) _____

Project No.: _____

Date: _____

Project Name: _____

Contractor/Subcontractor Name: _____

Direct Cost of Work :

A. Labor	Check here if explained on the Comment Sheet		Hourly Wage Rate	Hours	Total Cost
1	_____	<input type="checkbox"/>	_____	_____	_____
2	_____	<input type="checkbox"/>	_____	_____	_____
3	_____	<input type="checkbox"/>	_____	_____	_____
4	_____	<input type="checkbox"/>	_____	_____	_____
5	_____	<input type="checkbox"/>	_____	_____	_____
6	_____	<input type="checkbox"/>	_____	_____	_____
7	_____	<input type="checkbox"/>	_____	_____	_____
			Add Labor Burden @ _____ %		_____

LABOR TOTAL

B. Material			Unit Price	Unit	Units	Total Cost
1	_____	<input type="checkbox"/>	_____	_____	_____	_____
2	_____	<input type="checkbox"/>	_____	_____	_____	_____
3	_____	<input type="checkbox"/>	_____	_____	_____	_____
4	_____	<input type="checkbox"/>	_____	_____	_____	_____
5	_____	<input type="checkbox"/>	_____	_____	_____	_____
6	_____	<input type="checkbox"/>	_____	_____	_____	_____
7	_____	<input type="checkbox"/>	_____	_____	_____	_____
(Copies of invoices may be required.)			Add Tax @ _____ %			_____

MATERIAL TOTAL

C. Equipment			Unit Rate	Unit	Units	Total Cost
1	_____	<input type="checkbox"/>	_____	_____	_____	_____
2	_____	<input type="checkbox"/>	_____	_____	_____	_____
3	_____	<input type="checkbox"/>	_____	_____	_____	_____
4	_____	<input type="checkbox"/>	_____	_____	_____	_____
5	_____	<input type="checkbox"/>	_____	_____	_____	_____
6	_____	<input type="checkbox"/>	_____	_____	_____	_____
7	_____	<input type="checkbox"/>	_____	_____	_____	_____
(Copies of invoices may be required.)			Add Tax @ _____ %			_____

EQUIPMENT TOTAL

TOTAL DIRECT COST FOR THIS BREAKDOWN:
(Sum A, B & C)

Construction Contract Change Order Request
BREAKDOWN COMMENT SHEET

Louisiana Military Department-Contracting

Breakdown No. _____

Item No. _____

RFI No. (or COR, CPR, etc.) _____

Project No.: _____

Date: _____

Project Name: _____

Contractor/Subcontractor Name: _____

A. Labor

No. (From BREAKDOWN Sheet)

B. Material

C. Equipment

Louisiana Military Department-Contracting

Instructions for Change Order Request Back Up Forms

April 7, 2015

The General Conditions of the Contract for Construction, and any additional contract documents giving information on change orders provide for changes in the contract in the form of change orders. The costs of such changes must be carefully, clearly and accurately documented. Louisiana Military Department (LMD) has prepared a set of forms to be used to provide this documentation in a consistent format that is in accordance with the Contract Documents.

Change orders will typically contain one or more items of work. Each item of work will typically include work by the general contractor and/or one or more subcontractors. The documentation begins with a breakdown of the work of the contractor and each subcontractor. This is prepared using the form entitled "BREAKDOWN." One form for the General Contractor and one for each subcontractor. Each breakdown will be summarized on the form entitled "SUMMARY." Each item of work will, in turn, be summarized on the change order itself. This should be on the face of the change order.

The forms are available as a Microsoft Excel worksheet for ease of preparation, with formulas established for mark-ups and other basic mathematical operations.

These forms are to be used as provided. Any alteration to the forms may cause the change order to be rejected.

GENERAL: (Refer to Article 7, Sections 7.2.2 and 7.2.8)

Forms - There are five forms to be used for all LMD change orders: CHANGE ORDER form, SUMMARY, BREAKDOWN, BREAKDOWN COMMENT SHEET and UNIT PRICE BREAKDOWN. The CHANGE ORDER form is the highest level and is the official, signed document. A CHANGE ORDER form may include one or more items of work, each of which is backed up by a SUMMARY. Each SUMMARY will be backed up with one or more BREAKDOWNS. Any unusual rates, unit costs or quantities may be explained on the COMMENT SHEET. It's simple. The BREAKDOWN form must be used for the general contractor and any subcontractor, at any level, that is to get OH&P. Use as many as needed.

Unit Pricing - Labor, material and equipment breakdown is a standard method of pricing change orders for LMD. However, unit pricing may be considered in some circumstances if the unit prices are clearly established such as by unit prices that were included in the bid. These prices may also be derived from a construction industry standard reference such as R.S. Means. If unit prices were included in the bid they are acceptable for pricing change order work and, in fact, must be used for any work that is included in the change order for which they were established. The UNIT PRICE BREAKDOWN is provided for this purpose.

CHANGE ORDER:

Project identification information: Complete as required. The Site Code, State ID and CFMS No. can be obtained from the Military Project Manager.

Description: This will include a list of each attached SUMMARY that makes up this change order and a brief statement of the work included in each.

New Contract Sum: Calculate the new contract amount using the original contract amount, previous change orders and the new change order. Circle the appropriate word for increase, decrease or unchanged.

New Contract Completion Date and Revised Time: Calculate the new contract time using the original Contract Completion Date and Contract Time, previous changes in time and the change in time by this change order. Circle the appropriate word for increase, decrease or unchanged. Show days in the main column and the date in the blank indicated.

Added Building Area: Show any building area added by this change order. If none, enter "None."

RECOMMENDED: Show the Designer's name and address, sign on the line indicated as "By:" and date on the indicated line.

PROPOSER: Show the Contractor's name and address, sign on the line indicated as "By:" and date on the indicated line.

REVIEWER: For approval by the Military Project Manager approval: All change order approvals will be from LMD-Contracting in the form of a State Change Order (see example Change Order).

SUMMARY: (Refer to Article 7, Sections 7.2.2 and 7.2.8)

Item No.: Show the Item number as it will appear on the CHANGE ORDER Form. Note: This may be one of several items included in one CHANGE ORDER form.

RFI No.: Show the number of the request for information. This may be known by another name such as COR (Change Order Request,) CPR (Change Proposal Request,) etc.

Project No., Date, Project Name. Complete as appropriate.

Contractor: Name of General Contractor.

Description of Work: Give a brief description of the work included in this **Item**. Clearly state if the work is or is not within the scope of the project.

General Contractor Direct Costs: Show the total General Contractor Cost from the BREAKDOWN and show the Breakdown No. in the space provided.

General Contractor Total Cost: Show the total General Contractor Cost plus the General Contractor's overhead and profit. The overhead and profit shall not exceed 15% of the Direct Cost.

Subcontractor Cost Breakdowns: List each subcontractor, Breakdown No. and Total Direct Cost (in column "A") from the attached BREAKDOWN sheets. Show the subcontractor's overhead and profit percentage in column "B" and show the calculated total of the direct cost plus the percentage of the direct cost in column "C." If the electronic version of the form is being used, column "C" will be automatically calculated. The overhead and profit shall not exceed 15% of the Total Direct Cost.

Subcontractor Direct Costs Total: Sum of column "A." This will be used to calculate the General Contractor's overhead and profit on the subcontractors' work. If the electronic version is being used, this will be an automatic calculation.

Subcontractor Direct Costs + Subcontractor OH&P: Sum of column "C." This represents the total amount that subcontractors will be paid. Automatic calculation.

General Contractor OH&P on Subcontractor Direct Cost at ___%. The contractor's overhead and profit on the subcontractors' direct cost (without subcontractor OH&P.) Enter the percentage of the contractor's OH&P on the subcontractors' work (not to exceed 10%) and show the calculated total of the subcontractors' direct cost plus the percentage of the direct cost in the space. Automatic calculation.

Total Subcontractor Costs: Total of the last two spaces.

Change Order Subtotal: Total of change order except bond.

Performance and Payment Bond at ___%: Enter bond percentage (from amount provided by the contractor at the Pre-Construction Conference) and calculate the amount for the bond.

Amount will be increased decreased unchanged by: Add bond and calculate total change order amount. Indicate "increase," "decrease" or "unchanged."

Days will be increased decreased unchanged by: Show the number of days to be added or deleted from the contract, if any, due to changes in scope, adverse weather, unusual delays or other factors. Note that a change in scope does not necessarily indicate a change in time. Indicate "increased," "decreased" or "unchanged."

Item No. Show the Item number as it will appear on the CHANGE ORDER Form and the SUMMARY.
Note: This may be one of several items included in one CHANGE ORDER form.

RFI No.: Show the number of the request for information. This may be known by another name such as COR (Change Order Request,) CPR (Change Proposal Request,) etc.

Project No., Date, Project Name. Complete as appropriate.

Contractor: Name of General Contractor or Subcontractor.

Direct Cost of Work:

Check here if explained on the Comment Sheet: If rates, unit costs or quantities may appear unreasonable compared to standard costs or quantities the reasons may be explained on the attached comment sheet and the box checked to indicate that there is an explanation.

A. Labor: Include the “wages paid” hourly direct labor and/or foreman necessary to perform the required change. “Wages paid” is the amount actually paid the employee, not the fully burdened charge rate used in the bid, etc. Supervisory personnel in district or home office shall not be included. Do not include the project superintendent. Supervisory personnel on the job-site, but with broad supervisory responsibility shall not be included as Direct Labor. Typically there will be only one superintendent on the job and his/her time shall not be included. Typically all other employees are eligible for inclusion. List by job title each person employed on the work, his/her hourly rate, the number hours work and the extended Total Cost. Do not list crews unless the rates for them are readily available in standard cost estimating references such as R. S. Means. Add the labor burden that was provided at the Pre-Construction conference and total the amounts in LABOR TOTAL.

B. Material: Include the acquisition cost of all materials directly required to perform the required change. List each material used in the work, the price per unit, name of the unit, the number of units used and the extended Total Cost. Add the tax rate and tax and total the amounts in MATERIAL TOTAL.

C. Equipment: Include the rental cost of equipment items necessary to perform the change. For company-owned equipment items, include documentation of internal rental rates submitted at the pre-construction conference. Charges for small tools, and craft specific tools are not allowed. List each piece of equipment used in the work, the rate by units of time (hour, day, week, etc.,) number of units of time the piece was in service on the work and the extended total cost. Add the tax rate, calculate the tax and total the amounts in EQUIPMENT TOTAL.

TOTAL DIRECT COST FOR THIS BREAKDOWN: Total of A. Labor, B. Material and C. Equipment. This is the amount that will be carried forward to the SUMMARY Sheet. This amount does **NOT** include Overhead and Profit. This will be added on the SUMMARY Sheet.

COMMENTS SHEET:

The COMMENTS SHEET uses the same heading as the SUMMARY and BREAKDOWN.

The COMMENTS SHEET includes three sections, one each for A. Labor, B. Materials and C. Equipment. These correspond to the sections in the BREAKDOWN. Each comment should be entered in the section to which it corresponds on the BREAKDOWN and numbered to correspond to the appropriate line. Comments are to used only to explain unusual rates, costs or quantities.

UNIT PRICE BREAKDOWN:

The UNIT PRICE BREAKDOWN uses the same heading as the BREAKDOWN.

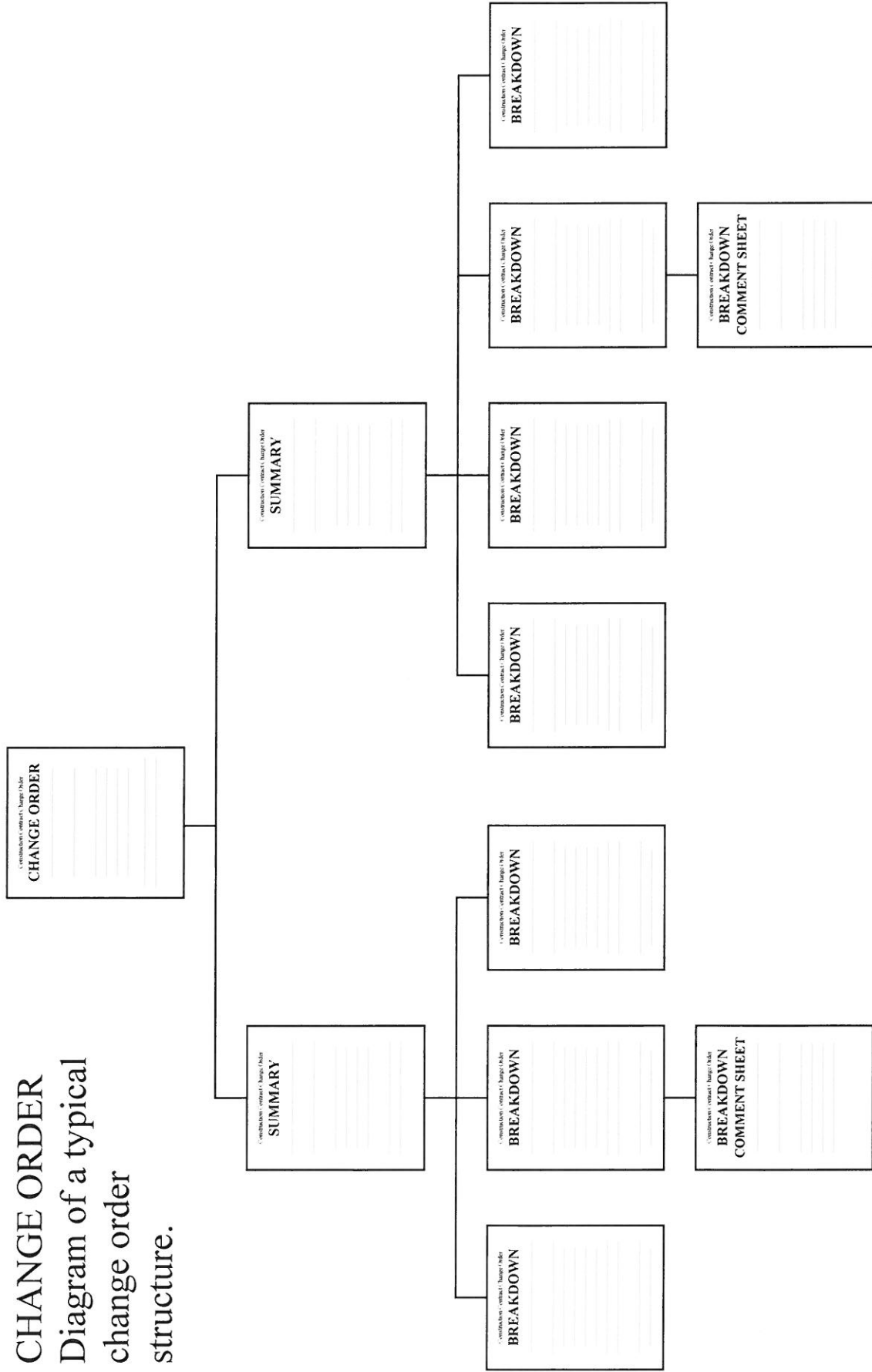
The UNIT PRICE BREAKDOWN is similar to the BREAKDOWN.

Unit Price Tabulation: Each unit price is listed along with its corresponding price and the number of units used in the work. The price and number of units are multiplied to provide the total cost of each unit price item. The pricing reference, such as the bid form for the project or a construction industry standard reference, must be cited for each unit price. This may be more fully described in "Reference Legend,"

Unit Price Total: Sum the unit prices to obtain the total cost for unit prices.

CHANGE ORDER

Diagram of a typical change order structure.



Contract # [REDACTED]

Amendment # [REDACTED]

**AMENDMENT # [REDACTED] TO [REDACTED] BETWEEN
LOUISIANA MILITARY DEPARTMENT**

AND

**CONTRACTOR NAME GOES HERE
ADDRESS GOES HERE
CITY, STATE & ZIP CODE GOES HERE**

Amendment Provisions: This Amendment is made and entered into between the Louisiana Military Department, hereafter referred to as **LMD**, and Contractor Company Name, represented by Contractor Name – Title Goes Here, herein referred to as **Contractor**.

In consideration of the mutual promises contained herein, the parties hereby agree to the following Amendment and, intended to be mutually bound, the parties hereby agree as indicated below:

INCREASE total amount of the contract to read \$ [REDACTED] due to the following: 1) [REDACTED]; 2) [REDACTED] etc.

Total cost of this Amendment is \$ [REDACTED]

Amendment becomes effective: Date Goes Here.

AMENDMENT # [redacted] to Contract [redacted] Continued

Justification for Amendment Increase; 1) [redacted]; 2) [redacted].

This Amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties. All other terms and conditions contained in the basic Agreement remain the same and remain unchanged.

IN WITNESS THEREOF, this amendment is signed and entered into on the date indicated below:

(Signature) (Date)

Contractor's Name: Name of Contractor Goes Here
Contractor's Title: Title Goes Here

(Signature) (Date)

Agency's Name [redacted]

Louisiana Military Department

Agency's Title: Contracting & Purchasing

❖ NOT FOR RECORDATION PURPOSES ❖

Facility Planning & Control
PARTIAL OCCUPANCY

PROJECT NAME
AND NUMBER:

CMFS No.

CONTRACTOR:

USER AGENCY:

The below described portion of subject project is, to the best of my knowledge and belief, complete to a point where the User desires to use in according with the Contract Documents.

DATE OCCUPIED: _____ .

WARRANTY items covered by Occupancy:

_____	_____
Designer	Date
_____	_____
Contractor	Date
_____	_____
Facility Planning and Control	Date

Punch List: Attached

None

c: User Agency

❖ NOT FOR RECORDATION PURPOSES ❖

CSI Form 13.1A

SUBSTITUTION
REQUEST FOR CAUSE

Project: Substitution Request Number:
From:
To: Date:
A/E Project Number:
Re: Contract For:

Specification Title: Description:
Section: Page: Article/Paragraph:

Proposed Substitution:
Manufacturer: Address: Phone:
Trade Name: Model No.:
Installer: Address: Phone:
History: New product 1-4 years old 5-10 years old More than 10 years old

Differences between proposed substitution and specified product:

Point-by-point comparative data attached - REQUIRED BY A/E

Reason for not providing specified item:

Similar Installation:
Project: Architect:
Address: Owner:
Date Installed:

Proposed substitution affects other parts of Work: No Yes; explain

Savings to Owner for accepting substitution: (\$)

Proposed substitution changes Contract Time: No Yes [Add] [Deduct] days

Supporting Data Attached: Drawings Product Data Samples Tests Reports

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SUBSTITUTION REQUEST FOR CAUSE (Continued)

The Undersigned certifies:

- Proposed substitution has been fully investigated and determined to be equal or superior in all respects to specified product.
- Same warranty will be furnished for proposed substitution as for specified product.
- Same maintenance service and source of replacement parts, as applicable, is available.
- Proposed substitution will have no adverse effect on other trades and will not affect or delay progress schedule.
- Cost data as stated above is complete. Claims for additional costs related to accepted substitution which may subsequently become apparent are to be waived.
- Proposed substitution does not affect dimensions and functional clearances.
- Payment will be made for changes to building design, including A/E design, detailing, and construction costs caused by the substitution.
- Coordination, installation, and changes in the Work as necessary for accepted substitution will be complete in all respects.

Submitted by: _____

Signed by: _____

Firm: _____

Address: _____

Telephone: _____

Attachments:

A/E's REVIEW AND ACTION

- Substitution approved - Make submittals in accordance with Specification Section 01 25 00 Substitution Procedures.
- Substitution approved as noted - Make submittals in accordance with Specification Section 01 25 00 Substitution Procedures.
- Substitution rejected - Use specified materials.
- Substitution Request received too late - Use specified materials.

Signed by: _____ Date: _____

Additional Comments: Contractor Subcontractor Supplier Manufacturer A/E
 Other:

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