

CONTRACT AGREEMENT BETWEEN

VILLAGE OF GRAYSLAKE

AND

M & O Environmental Company

FOR THE

PRE - BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY

CONTRACT

THIS CONTRACT AGREEMENT, made as of this 5th day of OCTOBER, 20 16, by and between the Village of Grayslake, 10 South Seymour Avenue, Grayslake, Illinois 60030, a municipal corporation, and *M & O Environmental Company, P O Box 759, Homewood, Illinois*, a Corporation,

WITNESSETH:

In consideration of the mutual promises contained in this Contract Agreement, it is agreed by and between Owner and Contractor as follows:

ARTICLE I

THE WORK

1.1 Performance of the Work

Contractor shall, at its sole cost and expense:

1. Labor, Equipment, Materials, and Supplies. Provide, perform, and complete at the Work Site and in the manner described and specified in this Contract all necessary work, labor, services, transportation, equipment, materials, apparatus, machinery, tools, fuels, gas, electric, water, waste disposal, information, data, and other means and items necessary for the design, if any, for the **Pre-Building Demolition Work for the Factory Building, Warehouse Building and Office Building** at the Grayslake Gelatin Company property located at 103 Railroad Avenue, Grayslake, Illinois together with related attachments, equipment, and appurtenances thereto.

2. Permits. Unless otherwise stated in the Special Conditions of Contract, procure and furnish all permits, licenses, and other governmental approvals and authorizations necessary in connection therewith.

3. Bonds and Insurance. Procure and furnish all Bonds and all certificates and policies of insurance specified in this Contract.

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4. Taxes. Pay all applicable federal, state, and local taxes.
5. Miscellaneous. Do all other things required of Contractor by this Contract.
6. Quality. Provide, perform, and complete all of the foregoing in a proper and workmanlike manner, consistent with the highest standards of professional and construction practices and in full compliance with, and as required by or pursuant to, this Contract, and with the greatest economy, efficiency, and expedition consistent therewith.

1.2 Contract Documents

The Contract Documents consist of the following component parts, all of which are attached to this Contract Agreement and are, by this reference, made a part of this Contract Agreement as though fully set forth herein:

1. Contractor's Certification;
2. Schedule of Prices;
3. General Conditions of Contract;
4. Special Conditions of Contract;
5. Contract Drawings;
6. Specifications;
7. Form of Performance Bond;
8. Form of Labor and Material Payment Bond;
9. Prevailing Wage Ordinance; and
10. Addenda Nos. **[NONE]**.
11. M & O Letter dated August 17, 2016, attached with bid
12. GZA Memo Pre-Bid Questions dated August 9, 2016.

Engineer may, during construction, furnish to Contractor such additional Contract Drawings and Specifications or such other explanations as Engineer may consider necessary to illustrate or explain the Work in further detail. Contractor shall comply with the requirements of all such additional Contract Drawings and Specifications or other explanations, all of which shall be considered part of the Contract Documents and shall not be considered as indicating additional Work.

1.3 Interpretation of Contract Documents

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A. Definitions. Whenever used in this Contract Agreement or in the Contract Documents:

1. General Definitions. Except for the terms specially defined in Paragraph 1.3A2 below, all capitalized terms shall have the meanings given to them in Article VII of the General Conditions of Contract.

2. Special Definitions. The following capitalized terms shall have the following meanings:

a. Contractor. The Person first identified above with whom Owner has executed this Contract Agreement and its duly authorized officers, employees, agents, and representatives.

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b. Engineer. Huff & Huff, Inc., a Subsidiary of GZA, 915 Harger Rd., Oak Brook, Illinois 60523, or such additional or different Person as Owner may from time to time designate in writing to perform any or all of the functions of the Engineer under this Contract as well as the duly authorized officers, employees, agents, and representatives of any such Person.

c. Owner. The Village of Grayslake and its duly authorized officers, employees, agents, and representatives.

d. Work. All matters described, exhibited, contemplated, implied, or embraced in this Article I of this Contract Agreement and in Article I of the General Conditions of Contract, including all risks and changes in the Work that Contractor is responsible for dealing with under this Contract without any equitable adjustment in the Contract Price or Contract Time, and all matters described, exhibited, contemplated, implied, or embraced in any Change Order issued pursuant to Section 2.1 of the General Conditions of Contract.

e. Work Site. *103 Railroad Avenue, Grayslake, IL*.

B. Rules of Interpretation. This Contract shall be interpreted so that:

1. Requirements Cumulative. Each requirement imposed on Contractor shall be cumulative of every other requirement imposed on Contractor, and any Work required to be performed by any one component part of this Contract shall be performed to the same extent as if required by all component parts of this Contract.

2. Details to be Assumed. The Work shall be provided, performed, and completed in every detail whether or not every item of detail is particularly set forth in the Contract Documents.

3. Priority of Contract Provisions. In the event of a discrepancy, error, omission, ambiguity, or conflict in the application or interpretation of any of the provisions of this Contract, the terms of this Contract Agreement and of the General Conditions of Contract shall govern over the terms and provisions of all other Contract Documents.

4. Engineer's Interpretation. Subject to Paragraphs 1.3B1, B2, and B3 above, Engineer shall determine which provision or provisions of this Contract Agreement and the Contract Documents best promotes or promote the overall objectives, and best fulfill the intents and purposes, of this Contract, and such provision or provisions shall govern. Such determination of Engineer shall be final.

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C. Contractor's Duty to Report Discrepancies. Contractor shall carefully review this Contract Agreement and each of the Contract Documents before performing the Work, and each part thereof, and shall promptly call to the attention of Engineer any discrepancy, error, omission, ambiguity, or conflict that may exist among any of the component parts of this Contract or among any of the provisions of any one of such component parts before proceeding with any part of the Work affected by such discrepancy, error, omission, ambiguity, or conflict. Contractor shall be responsible for all corrective Work required resulting from Contractor's failure to give such notice and shall bear all damages and costs associated therewith, arising therefrom, or resulting from such matters first discovered during the progress of the Work, including, but not limited to, damages or costs resulting from, arising out of, or in any way related to, increases in time-related costs; increases in costs of labor, equipment, materials, or supplies; costs of additional personnel; costs of additional equipment; costs of additional premium time for personnel or equipment; lower labor productivity; lost profits or alternative income; effects on other contracts; and costs of demobilization and remobilization. Information pertaining to subsurface, underground or other concealed conditions or obstructions, soils analysis, borings, test pits, buried structures, utility locations or conditions, conditions of existing structures, and similar site information or data and other investigations shown or indicated on the Contract Drawings, provided by Owner or Engineer, or otherwise made available to Contractor is not part of this Contract and, therefore, any discrepancy, error, omission, ambiguity, or conflict in such site information or data does not constitute a discrepancy, error, omission, ambiguity, or conflict in this Contract.

ARTICLE II

CONTRACT TIME

2.1 Commencement Date

Contractor shall commence the Work immediately upon execution of this Contract Agreement by Owner.

2.2 Completion Date

Contractor shall diligently and continuously prosecute the Work from the Commencement Date at such a rate as will allow the Work to be fully provided, performed, and completed in full compliance with, and as required by or pursuant to, this Contract, and the Work shall be fully provided, performed, and completed in full compliance with this Contract, not later than 90 Days following the Commencement Date.

2.3 Time of the Essence

The time of commencement, rate of progress, and time of completion are of the essence of this Contract.

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ARTICLE III

CONTRACTOR'S WARRANTIES AND REPRESENTATIONS

3.1 Warranties and Representations

In order to induce Owner to enter into this Contract, Contractor hereby warrants and represents to Owner as follows:

A. Review of Contract. Contractor has carefully examined, reviewed, and accepted this Contract Agreement and all of the Contract Documents prior to submission of its Bidder's Proposal and execution of this Contract and there are no discrepancies, errors, omissions, ambiguities, or conflicts in this Contract that are material to Contractor's provision, performance, or completion of the Work, the Contract Price or the Contract Time that have not already been clarified in writing by Owner to the satisfaction of Contractor. For claims based upon discrepancies, errors, omissions, ambiguities, or conflicts in this Contract, Contractor shall hereafter have no claim for payment or compensation in excess of the Contract Price based upon discrepancies, errors, omissions, ambiguities, or conflicts in this Contract. Contractor shall be entitled only to a possible extension of the Contract Time, if applicable, as provided in this Contract and then only in those cases where Contractor can show that such discrepancies, errors, omissions, ambiguities, or conflicts (1) could not have been discovered by Contractor prior to execution of this Contract or prior to the performance of any of the Work affected by such discrepancy, error, omission, ambiguity, or conflict and (2) has caused an unavoidable delay. Information pertaining to subsurface, underground or other concealed conditions or obstructions, soils analysis, borings, test pits, buried structures, utility locations or conditions, conditions of existing structures, and similar site information or data and other investigations shown or indicated on the Contract Drawings, provided by Owner or Engineer, or otherwise made available to Contractor is not part of this Contract and, therefore, shall not constitute the basis for claims based upon discrepancies, errors, omissions, ambiguities, or conflicts in this Contract.

B. Investigation of Work Site. Contractor has had a sufficient opportunity to conduct a thorough inspection and investigation of the Work Site and the surrounding area and has completed such inspection and investigation to its satisfaction. Contractor has included in the Contract Price allowances and contingency amounts for difficulties or obstructions that may arise or be encountered in the performance of the Work, including without limitation adverse weather conditions, equipment breakdowns, subsurface, underground or other concealed conditions or obstructions, buried structures, utility locations or conditions, adverse soil conditions, and changed site conditions due to work by other contractors, and Contractor hereby waives all claims for, and hereafter shall have no claim for, payment or compensation in excess of the Contract Price based upon such difficulties or obstructions, or conditions at the Work Site or in the surrounding area except as expressly provided, and only to the limited extent set forth, in Sections 2.1 through 2.3 of the General Conditions of Contract. Contractor is responsible for dealing with conditions found at, and in the vicinity of, the Work Site, including subsurface, underground or other concealed conditions or obstructions, buried structures, utility locations or conditions, adverse soil conditions, changed conditions due to work by other contractors, and similar site conditions without

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any equitable adjustment in the Contract Price except as expressly provided, and only to the limited extent set forth, in Sections 2.1 through 2.3 of the General Conditions of Contract.

C. Authorization: Enforceable Obligations. This Contract constitutes the legal, valid, and binding obligation of Contractor, is fully enforceable against Contractor in accordance with its terms, will not violate any judgment, Law, or organizational or operating document and will not cause or constitute a default under any contractual obligation of Contractor or any lien, charge, encumbrance, or security interest upon any assets of Contractor.

D. Contractor's Certification. All the facts and information submitted by Contractor in connection with this Contract and its procurement are true and correct in all respects and, in particular, the statements contained in Contractor's Certification are true and correct.

E. Technical Ability to Perform. Contractor is sufficiently experienced and competent, and has the necessary capital, facilities, plant, organization, and staff, to provide, perform, and complete the Work in full compliance with, and as required by or pursuant to, this Contract.

F. Financial Ability to Perform. Contractor is financially solvent, and Contractor has the financial resources necessary to provide, perform, and complete the Work in full compliance with, and as required by or pursuant to, this Contract.

G. Subcontractors and Suppliers. Contractor shall be responsible for all Subcontractors and Suppliers and shall supervise and control all Subcontractors and Suppliers. All of Contractor's agreements with Subcontractors and Suppliers shall be subject to the applicable terms and conditions of this Contract, including, without limitation, Section 1.4, 1.9 and 3.5 of the General Conditions of Contract.

H. Time. Contractor is ready, willing, able, and prepared to begin the Work on the Commencement Date and the Contract Time is sufficient time to permit completion of the Work in full compliance with, and as required by or pursuant to, this Contract for the Contract Price, all with due regard to all natural and man-made conditions that may affect the Work or the Work Site and all difficulties, hindrances, and delays that may be incident to the Work.

I. Acceptance of Allocation of Risks and Changes. Contractor acknowledges and agrees that risks are inherent in the Work of this Contract and changes are to be expected. Contractor acknowledges that this Contract contains specific allocations of responsibility for such risks and changes. Contractor acknowledges, agrees to, and accepts such risks and changes that are allocated to it and that Contractor is responsible for dealing with such risks and changes under this Contract without any equitable adjustment in the Contract Price or Contract Time.

J. No Collusion. The only Persons interested in this Contract as principals are those disclosed as such in the Bidder's Sworn Acknowledgment submitted to Owner by Contractor, and this Contract is made without collusion with any other Person.

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K. No Default. Contractor is not in arrears to Owner upon any debt or contract and is not a defaulter as surety, contractor, or otherwise to any Person.

L. Not Barred. Contractor is not barred by law from contracting with Owner or with any unit of state or local government, and neither Contractor nor any Person affiliated with Contractor or that has an economic interest in Contractor or that has or will have an interest in the Work or will participate, in any manner whatsoever, in the Work is acting, directly or indirectly, for or on behalf of any Person, group, entity or nation named by the United States Treasury Department as a Specially Designated National and Blocked Person, or for or on behalf of any Person, group, entity or nation designated in Presidential Executive Order 13224 as a person who commits, threatens to commit, or supports terrorism, and neither Contractor nor any Person affiliated with Contractor or that has an economic interest in Contractor or that has or will have an interest in the Work or will participate, in any manner whatsoever, in the Work is, directly or indirectly, engaged in, or facilitating, the Work on behalf of any such Person, group, entity or nation.

M. Taxes and Benefits. Contractor has excluded from the Contract Price all state and local sales, use, and excise taxes. Contractor has included in the Contract Price, and has or will pay or cause to be paid out of the Contract Price, all other applicable federal, state, and local taxes of every kind and nature applicable to the Work as well as all taxes, contributions, and premiums for unemployment insurance, old age or retirement benefits, pensions, annuities, or other similar benefits for Contractor's and its Subcontractors' employees.

N. Patent Costs. Contractor has included in the Contract Price, and has or will pay or cause to be paid out of the Contract Price, all costs, royalties, and fees arising from the use on, or the incorporation into, the Work of patented equipment, materials, supplies, tools, appliances, devices, processes, or inventions.

O. Conflicts of Interest. Contractor represents and certifies that, to the best of its knowledge: (1) no elected or appointed official, employee or agent of Owner has a personal financial interest in the business of Contractor or in this Contract, or has personally received payment or other consideration for this Contract; (2) as of the date of this Contract, neither Contractor nor any person employed or associated with Contractor has any interest that would conflict in any manner or degree with the performance of the obligations under this Contract; and (3) neither Contractor nor any person employed by or associated with Contractor shall at any time during the term of this Contract obtain or acquire any interest that would conflict in any manner or degree with the performance of the obligations under this Contract.

3.2 Affirmation of Other Warranties and Representations

In addition to the foregoing warranties and representations, Contractor hereby acknowledges that Contractor has carefully read, reviewed, and understood, and hereby agrees to honor,

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the Warranty of the Work contained in Article III of the General Conditions of Contract as well as all other warranties and representations set forth in the Contract Documents.

3.3 Patriot Act

Contractor represents and warrants that they are not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by the United States Treasury Department as a Specially Designated National and Blocked Person, or for or on behalf of any person, group, entity, or nation designated in Presidential Executive Order 13224 as a person who commits, threatens to commit, or supports terrorism; and that they are not engaged in this transaction directly or indirectly on behalf of, any such person, group, entity, or nation. Contractor hereby agrees to defend, indemnify, and hold harmless the Owner from and against any claims, damages, losses, risks, liabilities, and expenses (including reasonable attorney's fees and costs) arising from or related to any breach of the foregoing representation and warranty.

ARTICLE IV

FINANCIAL ASSURANCES

4.1 Bonds

A. Bonds Required. Contemporaneous with Contractor's execution of this Contract Agreement, Contractor shall provide a Performance Bond and a Labor and Material Payment Bond, in the forms included in the Contract Documents, from a surety company licensed to do business in the State of Illinois with a general rating of A minus and a financial size category of Class X or better in Best's Insurance Guide, each in the penal sum of the Contract Price, and such other bonds as and when required by Owner. Contractor shall, at all times while providing, performing, or completing the Work, including, without limitation, at all times while repairing, correcting, or replacing all or any part of the Work that is defective, damaged, flawed, unsuitable, nonconforming, or that fails to meet warranty subject to correction by Contractor pursuant to Section 3.1 or Section 3.2 of the General Conditions of Contract, maintain and keep in force, at Contractor's expense, the Bonds required hereunder.

B. No Release of Bond Obligations. No changes, modifications, alterations, omissions, deletions, additions, extensions of time, or forbearances on the part of either Owner or Contractor to the other in or to the terms of this Contract, in or to the Contract Drawings or Specifications, in or to the schedules, methods, or manner of performance of the Work, in or to Owner-furnished facilities, equipment, materials, services, or sites, or in or to the mode or manner of payment therefor, shall operate in any way to release Contractor or any surety or affect the obligation of either of them under any Bond required to be provided by Contractor. All notice of any and all of the foregoing changes, modifications, alterations, omissions, deletions, additions, extensions of time, or forbearances, and all notice of any and all defaults by Contractor, and all notice of Owner's termination of Contractor shall be waived by every surety under every Bond provided pursuant to this Contract.

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4.2 Insurance

A. Insurance Required. Contemporaneous with Contractor's execution of this Contract Agreement, Contractor shall provide certificates and policies of insurance evidencing the insurance coverages set forth in Article IV of the General Conditions of Contract and Section 4 of the Special Conditions of Contract. For good cause shown, Owner may extend the time for submission of the required policies of insurance upon such terms, and with such assurances of complete and prompt performance, as Owner may impose in the exercise of its sole discretion.

B. Additional Insureds. The insurance coverages required pursuant to this Contract shall name the Persons identified in Article IV of the Special Conditions of Contract as additional insured parties (the "Additional Insureds"). The coverage afforded the Additional Insureds shall be primary and non-contributory insurance for the Additional Insureds with respect to claims arising out of operations performed by or on behalf of Contractor. If the Additional Insureds have other insurance which is applicable to the loss, such other insurance shall be on an excess or contingent basis. The amount of the insurance companies' liability under the insurance policies Contractor maintains shall not be reduced by the existence of such other insurance.

4.3 Indemnification

Contractor shall indemnify, save harmless, and defend Owner, Engineer, and the Additional Insureds against any and all lawsuits, claims, demands, liabilities, losses, and expenses, including attorneys' fees and administrative expenses, that may arise, or be alleged to have arisen, out of or in connection with Contractor's, or its Subcontractors' or Suppliers', performance of, or failure to perform, the Work or any part thereof, whether or not due or claimed to be due in whole or in part to the active, passive, or concurrent negligence or fault of Contractor, except to the extent caused by the sole negligence of Owner, Engineer, or the Additional Insureds, as the case may be, including, without limitation lawsuits, claims, demands, liabilities, losses, and expenses for or on account of:

1. Any delays or interference or damage to other contractors; and
2. Labor, equipment, materials, or supplies furnished under this Contract, including all liens or notices of liens on account thereof or Contractor's failure to remove or discharge same; and
3. Contractor's failure to obtain, or take such action as may be necessary pursuant to, any required permits, licenses, approvals, or authorizations; and
4. Bodily injury, sickness, disease, or death sustained by any Person or Persons or injury or damage to, or loss or destruction of, any property; and
5. Any act or omission of Contractor or any of its Subcontractors or Suppliers, including but not limited to any failure to fulfill the

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terms of, or comply with, any Laws or to pay any taxes, contributions, or premiums; and

6. Infringement, alleged infringement, or use of patent rights in connection with the Work and the use by Owner of any equipment, materials, supplies, processes, or inventions furnished under this Contract.

The indemnification obligations of Contractor under this Section 4.3 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Contractor or any such Subcontractor or Supplier under workers' compensation acts, disability benefit acts or other employee benefit acts.

4.4 Penalties

Contractor shall be solely liable for any fines or civil penalties that are imposed by any governmental or quasi-governmental agency or body that may arise, or be alleged to have arisen, out of or in connection with Contractor's, or its Subcontractors' or Suppliers', performance of, or failure to perform, the Work or any part thereof. Contractor may contest any such fines or penalties in administrative or court proceedings; provided, however, that Contractor shall pay such fines or civil penalties prior to such protest if payment is required prior to making such protest. Contractor shall be solely responsible for all costs, including attorneys' fees and administrative expenses, of protesting any such fines or civil penalties.

ARTICLE V

CONTRACT PRICE AND PAYMENT

5.1 Contract Price

Owner shall pay to Contractor, in full satisfaction for providing, performing, and completing the Work, including such risks and changes in the Work that Contractor is responsible for dealing with under this Contract without any equitable adjustment in the Contract Price, subject to any additions or deductions provided for in this Contract, in current funds, the lump sum amount or amounts, if any, stated in the Schedule of Prices and, for each acceptable unit of each Unit Price Item, if any, installed and complete in place, measured on the basis provided in the Contract Drawings and Specifications, the Unit Price for such Unit Price Item stated in the Schedule of Prices.

5.2 Acceptance as Full Payment and Satisfaction

Contractor shall accept the Contract Price in full satisfaction and payment for well and faithfully providing, performing, and completing within the Contract Time all the Work in compliance with, and as required by or pursuant to, this Contract, including such risks and changes in the Work that Contractor is responsible for dealing with under this Contract without any equitable adjustment in the Contract Price or Contract Time. The acceptance by Contractor of Final Payment shall operate as a full

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and complete release of Owner and Engineer of and from any and all lawsuits, claims, demands, damages, liabilities, losses, and expenses of, by, or to Contractor for anything done, furnished for, arising out of, relating to, or in connection with the Work or for or on account of any act or neglect of Owner or Engineer arising out of, relating to, or in connection with the Work, except the claim against Owner for the unpaid balance, if any, of any amounts retained by Owner pursuant to this Contract.

5.3 Method of Payment

Progress and Final Payments shall be made to Contractor in accordance with, and subject to the terms and conditions set forth in, Article V of the General Conditions of Contract.

ARTICLE VI

LEGAL RELATIONSHIPS AND REQUIREMENTS

6.1 Binding Effect

This Contract shall be binding upon Owner and Contractor and upon their respective heirs, executors, administrators, personal representatives, and permitted successors and assigns.

Contractor agrees that if Contractor is a joint venture, then each Person participating in such joint venture shall be individually, personally, severally, and jointly responsible and liable, financially, legally, and in all other respects, for the full and proper performance of each and every provision and requirement of this Contract, notwithstanding any arrangement, understanding, or agreement to the contrary, if any, whether disclosed to Owner or not, entered into by, between or among the Persons participating in such joint venture.

6.2 Relationship of the Parties

Contractor, and its Subcontractors and Suppliers, shall act as independent contractors in providing, performing, and completing the Work. No right of supervision, requirement of approval, or other provision of this Contract and no subsequent conduct of Owner or Contractor shall be construed (1) to create the relationship of principal and agent, partners, or joint venturers between Owner and Contractor, or (2) except as provided in Paragraph 6.6B6 of the General Conditions of Contract, to create any relationship between Owner and any Subcontractor or Supplier of Contractor. The rights of Owner under this Contract, either directly or through Engineer, in the control of the quality and completeness of the Work shall not make Contractor, or any Subcontractor or Supplier of Contractor, an agent of Owner, and the liability of Contractor, and of all Subcontractors and Suppliers of Contractor, for all damages to persons or to public or private property arising from the provision, performance, or completion of the Work by Contractor, or any Subcontractor or Supplier of Contractor, shall not be lessened because of the existence, exercise, or the non-exercise of such rights.

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6.3 Assignment

A. Assignment by Contractor. Contractor shall not (1) assign this Contract in whole or in part, (2) assign any of Contractor's rights or obligations under this Contract, or (3) assign any payment due or to become due under this Contract, without the prior express written consent of Owner, which consent may be withheld in the sole and unfettered discretion of Owner; provided, however, that Owner's prior written consent shall not be required for assignments of accounts, as defined in the Illinois Commercial Code, if to do so would violate Section 9-318 of the Illinois Commercial Code, 810 ILCS 5/9-318. Any attempted or purported assignment made by Contractor without the required written consent of Owner shall be void and of no force or effect and shall constitute a default under this Contract for which Owner shall have the right to invoke any of its remedies under Section 6.6 of the General Conditions of Contract. In no event shall Owner's consent to any assignment of this Contract or of any of Contractor's rights under this Contract, whether in whole or in part, operate as a release or satisfaction of Contractor's responsibility and liability for the provision, performance, and completion of the Work in full compliance with the requirements of this Contract on or before the Completion Date, or for the proper performance of all other obligations of Contractor under this Contract, or for Contractor's liability on all representations and warranties made in or pursuant to this Contract. Contractor shall remain as fully responsible and liable for the acts, omissions, and performance of Contractor's assignee as Contractor is for its own acts, omissions, and performance.

B. Assignment by Owner. Owner may assign this Contract, in whole or in part, or any or all of its rights or obligations under this Contract, without the consent of Contractor. In the event of an assignment by Owner of any or all of its rights or obligations under this Contract, Owner shall be released from all liability with respect to the rights or obligations so assigned.

6.4 Confidential Information

All information supplied by Owner or Engineer to Contractor for or in connection with this Contract or the Work shall be held confidential by Contractor and shall not, without the prior express written consent of Owner, be used for any purpose other than performance of the Work. Neither Contractor nor any Subcontractor or Supplier shall own or be entitled to claim a copyright in the Contract or other documents prepared by Owner or Engineer.

Contractor shall identify any information supplied by it in providing, performing and completing the Work that is considered by it to be confidential or proprietary. Owner and Engineer shall not disclose any such designated confidential or proprietary information, unless such disclosure will not cause competitive harm, or such information was actually known to Owner or Engineer prior to its submission by Contractor, or such information was properly obtained or developed independently by Owner or Engineer, or Contractor consents to such disclosure. Notwithstanding the foregoing, Contractor acknowledges that Owner is subject to the Illinois Freedom of Information Act, 5 ILCS 140/1 et seq., and that no disclosure made in good faith by Owner pursuant to such Act shall be deemed to violate this Section.

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6.5 Publicity

Owner's name or insignia, photographs of the Work or the Work Site, or any other publicity pertaining to the Work shall not be used in any magazine, trade paper, newspaper, or other medium without the express written consent of Owner.

6.6 No Waivers

No examination, inspection, investigation, test, measurement, review, determination, decision, certificate or approval by Owner or Engineer, nor any order by Owner for the payment of money, nor any payment for, or use, occupancy, possession, or acceptance of, the whole or any part of the Work by Owner, nor any extension of time granted by Owner, nor any delay by Owner in exercising any right under this Contract, nor any other act or omission of Owner or Engineer shall constitute or be deemed to be an acceptance of any defective, damaged, flawed, unsuitable, nonconforming or incomplete Work, equipment, materials, or supplies, nor operate to waive or otherwise diminish the effect of any warranty or representation made by Contractor; or of any requirement or provision of this Contract; or of any remedy, power, or right of Owner.

No notices required to be given to Owner under this Contract are intended to be waived by Owner, and no action or inaction by Owner or Engineer shall be construed as waiving any such notice.

6.7 No Third Party Beneficiaries

No claim as a third party beneficiary under this Contract by any Person other than Contractor shall be made or be valid against Owner and Owner shall not be liable for or be held to pay any money to any such Person.

6.8 Notices

All notices required or permitted to be given under this Contract shall be in writing and shall be deemed received by the addressee thereof when delivered in person on a business day at the address set forth below or on the third business day after being deposited in any main or branch United States post office, for delivery at the address set forth below by properly addressed, postage prepaid, certified or registered mail, return receipt requested.

Notices and communications to Owner shall be addressed to, and delivered at, the following address:

Village of Grayslake
10 South Seymour Avenue
Grayslake, Illinois 60030
Attention: _____

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Notices and communications to Contractor shall be addressed to, and delivered at, the following address:

M & O Environmental Company]

PO Box 759

Homewood, Illinois 60430

Attention: **Dan Schuman**

The foregoing shall not be deemed to preclude the use of other non-oral means of notification or to invalidate any notice properly given by any such other non-oral means.

By notice complying with the requirements of this Section, Owner and Contractor each shall have the right to change the address or addressee or both for all future notices to it, but no notice of a change of address shall be effective until actually received.

6.9 Governing Laws

This Contract and the rights of Owner and Contractor under this Contract shall be interpreted according to the internal Laws, but not the conflict of Laws rules, of the State of Illinois.

6.10 Changes in Laws

Unless otherwise explicitly provided in this Contract, any reference to Laws shall include such Laws as they may be amended or modified from time to time.

6.11 Compliance with Laws and Grants

A. **Compliance with Laws.** Contractor shall give all notices, pay all fees, and take all other action that may be necessary to ensure that the Work is provided, performed, and completed in accordance with the requirements of all governmental permits, licenses, or other approvals or authorizations that may be required in connection with providing, performing, and completing the Work and with all applicable Laws, including, without limitation, the Prevailing Wage Act, 820 ILCS 130/0.01 et seq. (in furtherance of which, a copy of Owner's ordinance ascertaining the prevailing rate of wages, in effect as of the date of this Contract, is included in the Contract Documents; if the Illinois Department of Labor revises the prevailing rate of hourly wages to be paid, the revised rate shall apply to this Contract); any other prevailing wages Laws; the Fair Labor Standards Act; any Laws regarding qualification to do business; any Laws requiring preference to laborers of specified classes; the Illinois Steel Products Procurement Act, 30 ILCS 565/1 et seq.; the Illinois Substance Abuse Prevention on Public Works Projects Act, 820 ILCS 265.1 et seq.; the Employment of Illinois Workers on Public Works Act, 30 ILCS 570/0.01 et seq.; any Laws prohibiting discrimination because of, or requiring affirmative action based on, race, creed, color, national origin, age, sex, or other prohibited classification, including, without limitation, the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 et seq., the Illinois Human Rights Act, 775 ILCS

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5/1-101 et seq. and the Public Works Employment Discrimination Act, 775 ILCS 10/0.01 et seq.; any Laws respecting the assumption of liability for taxes, contributions, and premiums for unemployment insurance, old age or retirement benefits, pensions, annuities, or other similar benefits for Contractor's and Subcontractors' employees; and any Laws regarding safety or the performance of the Work, including the Illinois Structural Work Act, the Illinois Underground Utility Facilities Damage Prevention Act, and the Occupational Safety and Health Act. Contractor shall keep itself fully informed of all Laws affecting this Contract; affecting those engaged or employed on the Work; affecting the equipment, materials, and supplies used in the Work; affecting the conduct of the Work; and affecting the rights, duties, powers, or obligations of Owner or of Contractor; and shall also keep itself fully informed of all orders, decrees, and other requirements of bodies or tribunals having any jurisdiction or authority over any of the foregoing. Contractor shall display all permits, licenses, and other approvals and authorizations as required by Law.

To the extent that the Prevailing Wage Act applies to this Contract, it is the Contractor's obligation to pay (and require every Subcontractor to pay) prevailing wages as established by the Illinois Department of Labor for each craft or type of work needed to execute the Contract in accordance with the Act. The established prevailing wage rates are available at www.state.il.us/agency/idol/rates/rates.HTM. If the contractor determines the Prevailing Wage Act is applicable to a project, they shall post or provide notice of the prevailing wage rates in accordance with the Act. Any increases in costs to the Contractor due to changes in the prevailing rate of wages during the terms of this Contract shall be at the expense of the Contractor and not at the expense of the Owner. Any change order shall be computed using the prevailing wage rates applicable at the time the change order work is scheduled to be performed. The Contractor shall be solely responsible to maintain and file accurate records in the manner set forth in, and as required by the Act. The Contractor shall be solely liable for any violation of the Act and shall be required to (i) pay the difference between prevailing wages and any wages actually received by laborers, workmen and/or mechanics engaged in the Work and (ii) defend and indemnify the Owner against any and all claims arising under or related to the Act, including any damages, attorneys' fees, and penalties or fines.

B. Compliance by Subcontractors and Suppliers. Contractor shall, at all times, cause all of its Subcontractors and Suppliers to observe and comply with all such Laws.

C. Noncompliance of Contract Documents. Contractor shall promptly examine the Contract Drawings and Specifications and other Contract Documents and report to Owner any respects in which it appears that any of them may fail to conform to any applicable Laws.

D. Verification of Compliance. At or before the time of Owner's Final Acceptance of the Work, Contractor shall deliver to Owner all certificates, receipts, or other evidences of approval, acceptance, or payment of fees that may be required to establish the compliance of the Work with all applicable Laws, permits, licenses, approvals, authorizations, or other requirements.

E. Provisions Deemed Inserted. Each and every provision required by Law to be inserted in this Contract shall be deemed to be inserted herein, and this Contract shall be read and enforced as though all such provisions were set out in full in this Contract. If through mistake or otherwise any such provision is not set out in this Contract, or is not correctly set out in this Contract, then upon the

CONTRACT AGREEMENT

application of either Owner or Contractor, this Contract shall forthwith be physically amended to correctly set out such provision.

F. Regulatory Authority. Nothing in this Contract shall be construed to waive or limit any aspect of Owner's lawful authority to regulate the activities of Contractor, its Subcontractors, or any other Person or to regulate the Work, the Work Site, or any other matter falling within its lawful regulatory jurisdiction and powers. No review, inspection, test, audit, measurement, order, determination, decision, disapproval, approval, payment for, or use or acceptance of, the Work, or any other act or omission of Owner shall imply, create any interest in, be deemed to be the issuance of, or require Owner to issue any license or permit to Contractor or any Subcontractor.

G. Certified Payrolls. Contractor shall, in accordance with Section 5 of the Illinois Prevailing Wage Act, 820 ILCS 130/5, submit to Owner, on a monthly basis, a certified payroll. The certified payroll shall consist of a complete copy of those records required to be made and kept by the Prevailing Wage Act. The certified payroll shall be accompanied by a statement signed by Contractor or Subcontractor which certifies that: (1) such records are true and accurate; (2) the hourly rate paid is not less than the general prevailing rate of hourly wages required by the Prevailing Wage Act; and (3) Contractor or subcontractor is aware that filing a certified payroll that he or she knows to be false is a Class B misdemeanor. Contractor may rely upon the certification of a Subcontractor, provided that the Contractor does not knowingly rely upon a Subcontractor's false certification. Upon seven business days' notice, Contractor and each subcontractor shall make available for inspection the records required to be made and kept by the Act: (i) to Owner, its officers and agents, and to the Director of the Illinois Department of Labor and his or hers deputies and agents; and (ii) at all reasonable hours at a location within the State of Illinois.

6.12 Compliance with Patents

A. Patent Rights. Contractor shall do all things necessary to obtain such rights and licenses as may be necessary in connection with all costs, royalties, and fees arising from the use on, or the incorporation into, the Work of patented equipment, materials, supplies, tools, appliances, devices, processes, or inventions.

B. Effect of Contractor Being Enjoined. Should Contractor be enjoined from furnishing or using any equipment, materials, supplies, tools, appliances, devices, processes, or inventions supplied or required to be supplied or used under this Contract, Contractor shall promptly offer substitute equipment, materials, supplies, tools, appliances, devices, processes, or inventions in lieu thereof, of equal efficiency, quality, suitability, and market value, for review by Owner. If Owner should disapprove the offered substitutes and should elect, in lieu of a substitution, to have supplied, and to retain and use, any such equipment, materials, supplies, tools, appliances, devices, processes, or inventions as may by this Contract be required to be supplied, Contractor shall pay such royalties and secure such valid licenses as may be requisite and necessary for Owner to use such equipment, materials, supplies, tools, appliances, devices, processes, or inventions without being disturbed or in any way interfered with by any proceeding in law or equity on account thereof. Should Contractor neglect or refuse to make any approved substitution promptly, or to pay such royalties and secure such licenses as may be necessary, then Owner

CONTRACT AGREEMENT

shall have the right to make such substitution, or Owner may pay such royalties and secure such licenses and charge the cost thereof against any money due Contractor from Owner or recover the amount thereof from Contractor and its surety or sureties notwithstanding that Final Payment may have been made.

6.13 Severability

The provisions of this Contract shall be interpreted when possible to sustain their legality and enforceability as a whole. In the event any provision of this Contract shall be held invalid, illegal, or unenforceable by a court of competent jurisdiction, in whole or in part, neither the validity of the remaining part of such provision, nor the validity of any other provisions of this Contract, shall be in any way affected thereby. The unenforceability of any provision of this Contract in a specific situation shall not affect the enforceability of that provision in any other situation.

6.14 Entire Agreement

This Contract sets forth the entire agreement of Owner and Contractor with respect to the accomplishment of the Work and the payment of the Contract Price therefor, and there are no other understandings or agreements, oral or written, between Owner and Contractor with respect to the Work and the compensation therefor, nor was the making and execution of this Contract induced by any representation, statement, warranty, agreement, or action other than those expressed or explicitly referenced herein.

6.15 Amendments

No modification, addition, deletion, revision, alteration or other change to this Contract shall be effective unless and until such change is reduced to writing and executed and delivered by Owner and Contractor.

6.16 Counterparts

This Contract is being executed in five original counterparts, each of which shall be deemed to be an original.

IN WITNESS WHEREOF, Owner and Contractor have caused this Contract Agreement to be executed as of the day and year first written above.

Attest/Witness:

By:  
 Title: Deputy Village Clerk

VILLAGE OF GRAYSLAKE
 By: 
 Title: Village Manager

CONTRACT AGREEMENT

Attest/Witness:

M & O Environmental Company

By: 

By: 

Title: COMPLIANCE

Title: VICE-PRESIDENT

**SEE GENERAL INSTRUCTIONS TO BIDDERS, SECTION 8,
FOR SIGNATURE REQUIREMENTS**

STATE OF ILLINOIS)

) SS

COUNTY OF Cook)

CONTRACTOR'S CERTIFICATION

Daniel Schuman being first duly sworn on oath, deposes and states that all statements made herein are made on behalf of Contractor, that this deponent is authorized to make them, and that the statements contained herein are true and correct.

Contractor deposes, states, and certifies that Contractor is not barred from contracting with a unit of state or local government as a result of (i) a violation of either Section 33E-3 or Section 33E-4 of Article 33 of the Criminal Code of 1961, 720 ILCS 5/33E-1 et seq.; (ii) a delinquency in the payment of any tax administered by the Illinois Department of Revenue unless Contractor is contesting, in accordance with the procedures established by the appropriate revenue Act, its liability for the tax or the amount of the tax, as set forth in Section 11-41.1-1 of the Illinois Municipal Code, 65 ILCS 5/11-42.1-1; or (iii) a violation of the USA Patriot Act of 2001, 107 Public Law 56 (October 26, 2001) (the "Patriot Act") or other statutes, orders, rules, and regulations of the United States government and its various executive departments, agencies and offices related to the subject matter of the Patriot Act, including, but not limited to, Executive Order 13224 effective September 24, 2001.

DATED this 5th day of October, 2016.

Attest/Witness:

M & O Environmental Company

By: [Signature]

By: [Signature]

Title: Asst. Corporate Secretary

Title: Vice President

Subscribed and Sworn to

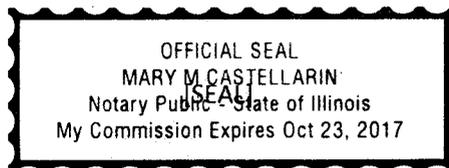
My Commission Expires: 10/23/2017

before me this 5th day

of October, 2016

[Signature]

Notary Public



SEE GENERAL INSTRUCTIONS TO BIDDERS, SECTION 8,

FOR SIGNATURE REQUIREME

VILLAGE OF GRAYSLAKE

CONTRACT FOR THE

PRE - BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY

SCHEDULE OF PRICES

*[TO BE INSERTED FROM THE BIDDER'S PROPOSAL
OF THE SUCCESSFUL BIDDER TO WHOM THIS
CONTRACT IS AWARDED]*

VILLAGE OF GRAYSLAKE

CONTRACT FOR THE

PRE - BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY

CONTRACT [NO.]

BIDDER'S PROPOSAL

Full Name of Bidder M & O ENVIRONMENTAL COMPANY ("Bidder")

Principal Office Address P.O. Box 759, Homewood, IL 60430

Local Office Address 17217 S. Ashland Ave, East Hazel Crest, IL 60429

Contact Person Daniel Schuman Telephone 708-799-0028

TO: Village of Grayslake
10 South Seymour Avenue
Grayslake, IL 60030
Attention:

Bidder acknowledges and agrees that all capitalized terms in this Bidder's Proposal shall have the meaning given to them in the Bidding Documents and the Contract.

Bidder warrants and represents that Bidder has carefully examined the Work Site described below and its environs and has reviewed and understood all documents included, referred to, or mentioned in this bound Bid Package, including Addenda Nos. NONE, [if none, write "NONE"], which are securely stapled to the end of this Bidder's Proposal.

1. **Work Proposal**

A. **Contract and Work.** If this Bidder's Proposal is accepted, Bidder proposes, and agrees, that Bidder will contract with Owner, in the form of the Contract Agreement included in this Bid Package: (1) to provide, perform, and complete at the site or sites described in this Bid Package ("Work Site") and in the manner described and specified in this Bid Package all necessary work, labor, services, transportation, equipment, materials, apparatus, machinery, tools, fuels, gas, electric, water, waste disposal, information, data, and other means and items necessary for the design, if any, for the **Pre-building Demolition work for the Factory Building, Warehouse Building and Office Building located at the Grayslake Gelatin Company, 103 Railroad Avenue, Grayslake, Illinois**, together with related attachments, equipment and appurtenances thereto; (2) to procure and furnish all permits, licenses, and other governmental approvals and authorizations necessary in connection therewith except as otherwise expressly provided in the Special Conditions of Contract included in this Bid Package; (3) to procure and furnish all Bonds and all certificates and policies of insurance specified in this Bid Package; (4) to pay all applicable federal, state, and local taxes; (5) to do all

PROPOSAL

other things required of Contractor by the Contract; and (6) to provide, perform, and complete all of the foregoing in a proper and workmanlike manner and in full compliance with, and as required by or pursuant to, the Contract; all of which is herein referred to as the "Work."

B. Manner and Time of Performance. If this Bidder's Proposal is accepted, Bidder proposes, and agrees, that Bidder will perform the Work in the manner and time prescribed in this Bid Package and according to the requirements of Owner pursuant thereto.

C. General. If this Bidder's Proposal is accepted, Bidder proposes, and agrees, that Bidder will do all other things required of Bidder or Contractor, as the case may be, by this Bid Package.

2. Contract Price Proposal

If this Bidder's Proposal is accepted, Bidder will, except as otherwise provided in Article II of the General Conditions of Contract included in this Bid Package, take in full payment for the Work and all other matters set forth under Section I of this Bidder's Proposal, including overhead and profit; taxes, contributions, and premiums; compensation to all Subcontractors and Suppliers; and such risks and changes in the Work as Bidder or Contractor, as the case may be, is responsible for dealing with under the Contract without any equitable adjustment in the Contract Price, the compensation set forth on the following "Schedule of Prices" ("Price Proposal"), which Schedule of Prices Bidder understands and agrees will be made a part of the Contract Documents:

PROPOSAL

SCHEDULE OF PRICES

A. LUMP SUM CONTRACT

For providing, performing, and completing all Work for the Factory Building only, the total Contract Price of:

One hundred thirty three thousand
 Seven hundred sixty dollars Dollars and no Cents
 (in writing) (in writing)
\$133,760. Dollars and 00 Cents
 (in figures) (in figures)

For providing, performing, and completing all Work for the Warehouse Building only, the total Contract Price of:

Fifteen thousand
 Eight hundred forty dollars Dollars and no Cents
 (in writing) (in writing)
\$ 15,840. Dollars and 00 Cents
 (in figures) (in figures)

For providing, performing, and completing all Work for the Office Building only, the total Contract Price of:

Twenty six thousand
 four hundred dollars..... Dollars and no Cents
 (in writing) (in writing)
\$ 26,400. Dollars and 00 Cents
 (in figures) (in figures)

For providing, performing, and completing all Work for all three buildings, the Factory Building, the Warehouse Building and the Office Building, the total Contract Price of:

One hundred seventy six
 thousand dollars..... Dollars and no Cents
 (in writing) (in writing)
\$176,000. Dollars and 00 Cents
 (in figures) (in figures)

PROPOSAL

PROPOSAL

B. BASIS FOR DETERMINING PRICES

It is expressly understood and agreed that:

1. The Price Proposal includes allowances for contingencies as Bidder deems appropriate with respect to such risks and changes in the Work that Bidder or Contractor, as the case may be, is responsible for dealing with under the Contract without any equitable adjustment in the Contract Price;
2. Bidder or Contractor, as the case may be, shall be compensated only in accordance with the Contract and shall not be entitled to equitable adjustments in the Contract Price as a result of any claims by Subcontractors or Suppliers arising only under their Subcontracts and not provided for in the Contract;
3. Owner is not subject to state or local sales, use and excise taxes and no such taxes are included in this Schedule of Prices;
4. All other applicable federal, state, and local taxes of every kind and nature applicable to the Work as well as all taxes, contributions, and premiums for unemployment insurance, old age or retirement benefits, pensions, annuities, or other similar benefits are included in this Schedule of Prices; and
5. All costs, royalties, and fees arising from the use on, or the incorporation into, the Work of patented equipment, materials, supplies, tools, appliances, devices, processes, or inventions are included in this Schedule of Prices.

All claim or right to claim any additional compensation by reason of such risks, changes, and Subcontractor or Supplier claims, or payment of any such tax, contribution, or premium or any such cost, royalty or fee is hereby waived and released.

PROPOSAL

3. Contract Time Proposal

If this Contract/Proposal is accepted, Bidder proposes and agrees, that Bidder shall commence the Work within 10 days following the Village's accepted of this Contract/Proposal provided Bidder shall have furnished to Owner all bonds and all insurance certificates [and policies of insurance] specified in this Contract/Proposal (the "Commencement Date"). If this Contract/Proposal is accepted, Bidder proposes, and agrees, that the Bidder shall perform the Work diligently and continuously and shall complete the Work no later than 90 days following the Commencement Date..

4. Firm Proposal

All prices and other terms stated in this Bidder's Proposal are firm and shall not be subject to withdrawal, escalation, or change for a period of 60 Days after the date on which any Bidder's Proposal is opened or such extended acceptance date for Bidder's Proposals as may be established pursuant to Sections 12 and 16 of the General Instructions to Bidders.

5. Bidder Representations

A. No Collusion. Bidder warrants and represents that the only Persons interested in this Bidder's Proposal as principals are those named in the Bidder's Sworn Acknowledgment attached hereto and that this Bidder's Proposal is made without collusion with any other Person.

B. Not Barred. Bidder warrants, represents and certifies that it is not barred by law from contracting with Owner or with any unit of state or local government.

C. Qualified. Bidder warrants and represents that it has the requisite experience, ability, capital, facilities, plant, organization and staff to enable Bidder to perform the Work successfully and promptly and to commence and complete the Work within the Contract Price and Contract Time Proposals set forth above. In support thereof, Bidder submits the attached Sworn Work History Statement. In the event Bidder is preliminarily deemed to be one of the Most Favorable Bidders, Bidder hereby agrees to furnish upon request, within two business days or such longer period as may be set forth in the request, such additional information as may be necessary to satisfy Owner that Bidder is adequately prepared to fulfill the Contract.

D. Owner's Reliance. Bidder acknowledges that Owner is relying on all warranties, representations and statements made by Bidder in this Bidder's Proposal.

6. Surety and Insurance

Bidder herewith tenders surety and insurance commitment letters as specified in Section 7 of the Invitation for Bidder's Proposals included in this Bid Package.

PROPOSAL

7. **Bid Security**

Bidder herewith tenders a Cashier's Check, Certified Check, or Bid Bond as specified in Section 7 of the Invitation for Bidder's Proposals included in this Bid Package for the sum of 10% of bid dollars (\$ _____), which is equal to at least ten percent of Bidder's Price Proposal ("Bid Security").

8. **Owner's Remedies**

Bidder acknowledges and agrees that should Bidder fail to timely submit all additional information that is requested of it; or should Bidder, if Owner awards Bidder the Contract, fail to timely submit all the Bonds and all the certificates and policies of insurance required of it; or should Bidder, if Owner awards Bidder the Contract, fail to timely execute the Contract Agreement, the Contractor's Certification and all other required documentation related to the Contract, it will be difficult and impracticable to ascertain and determine the amount of damage that Owner will sustain by reason of any such failure and, for such reason, Owner shall have the right, at its option in the event of any such default by Bidder, to retain or recover as reasonably estimated liquidated damages, and not as a penalty, the entire amount of the Bid Security or ten percent of Bidder's Price Proposal, whichever is greater, or to exercise any and all equitable remedies it may have against Bidder.

9. **Owner's Rights**

Bidder acknowledges and agrees that Owner reserves the right to reject any and all Bidder's Proposals, reserves the right to accept or reject any item of any Bidder's Proposal and reserves such other rights as are set forth in Section 16 of the General Instructions to Bidders and Section 1 of the Special Instructions to Bidders included in this Bid Package.

10. **Bidder's Obligations**

In submitting this Bidder's Proposal, Bidder acknowledges and agrees that all information provided by it is true and correct and that Bidder understands and agrees that it shall be bound by each and every term, condition or provision contained in the Bidding Documents and the Contract, which are by this reference incorporated herein and made a part hereof.

DATED this 17th day of August, 2016.

Attest/Witness

M & O Environmental Company

Bidder

By: _____

By:  _____

Mary Castellarin

Daniel Schuman

Title: Compliance

Title: Vice President

**SEE GENERAL INSTRUCTIONS TO BIDDERS, SECTION 8,
FOR SIGNATURE REQUIREMENTS**

PROPOSAL

ADDENDA TO BID PACKAGE

Each Bidder shall securely staple to this page any and all Addenda issued prior to the opening of Bidder's Proposals. Each Bidder shall also list all such Addenda in the place provided therefor in the Bidder's Proposal form.

If Bidder received no Addenda, Bidder shall so indicate by placing an "X" in the box below:



No Addenda Received

VILLAGE OF GRAYSLAKE

CONTRACT FOR THE

PRE - BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY
CONTRACT [NO.]

BIDDER'S SWORN ACKNOWLEDGMENT

M & O Environmental Company ("Deponent"), being first duly sworn on oath, deposes and states that the undersigned Bidder is organized as indicated below and that all statements herein made are made on behalf of such Bidder in support of its Bidder's Proposal for the above Contract and that Deponent is authorized to make them.

Deponent also deposes and states that Bidder has carefully prepared, reviewed and checked its Bidder's Proposal and that the statements and all submittals and information contained in or included with its Bidder's Proposal and in this Acknowledgment are true, correct, and complete.

COMPLETE APPLICABLE SECTION ONLY

1. Corporation

Bidder is a corporation that is organized and existing under the laws of the State of Illinois, that is qualified to do business in the State of Illinois, and that is operating under the legal name of M & O Environmental Company.

Pursuant to a Resolution of the corporation's Board of Directors taken on _____, a certified copy of which is hereto attached, _____, who is the _____ of the corporation, is authorized to sign this Bidder's Proposal, the Contract and all documents related thereto.

The officers of the corporation are as follows:

<u>TITLE</u>	<u>NAME</u>	<u>ADDRESS</u>
President	<u>Kevin Doherty</u>	<u>Homewood, IL</u>
Vice President	<u>Daniel Schuman</u>	<u>Homewood, IL</u>
Secretary CEO	<u>Peter Castellarin</u>	<u>Homewood, IL</u>
Treasurer	_____	_____

ACKNOWLEDGMENT

The stockholders of the corporation who own 10 percent or more of its stock of any class are as follows:

<u>NAME</u>	<u>ADDRESS</u>	<u>PERCENTAGE OWNERSHIP</u>
Richard O'Heir Family Trust,	Homewood, IL	100%
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

2. **Partnership**

Bidder is a partnership that is organized, existing and registered under the laws of the State of _____ pursuant to that certain Partnership Agreement dated as of _____, that is qualified to do business in the State of Illinois, and that is operating under the legal name of _____.

The general partners of the partnership are as follows:

<u>NAME</u>	<u>ADDRESS</u>	<u>PERCENTAGE OWNERSHIP</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Pursuant to a power of attorney executed by all of the General Partners on _____, a certified copy of which is hereto attached, _____ is the attorney-in-fact for the partnership and is authorized to sign this Bidder's Proposal, the Contract and all documents related thereto for the partnership. **[Strike out this paragraph if not applicable]**

ACKNOWLEDGMENT

3. **Individual**

Bidder is an individual whose full name is _____,
 whose residence address is _____ and
 whose business address is _____. If operating under a trade or
 assumed name, said trade or assumed name is as follows:
 _____.

Pursuant to a power of attorney executed by Bidder on _____,
 a certified copy of which is hereto attached, _____ is the attorney-
 in-fact for Bidder and is authorized to sign this Bidder's Proposal, the Contract and all
 documents related thereto for Bidder. **[Strike out this paragraph if not applicable]**

4. **Joint Venture**

Bidder is a joint venture that is organized and existing under the laws of the
 State of _____ pursuant to that certain Joint Venture Agreement dated as of
 _____, that is qualified to do business in the State of Illinois, and that is operating
 under the legal name of _____.

The signatories to the aforesaid Joint Venture Agreement are as follows:

<u>NAME</u>	<u>ADDRESS</u>	<u>PERCENTAGE OWNERSHIP</u>
_____ ()	_____	_____
_____ ()	_____	_____
_____ ()	_____	_____
_____ ()	_____	_____
_____ ()	_____	_____

[For each signatory indicate the type of entity (Corporation = "C"; Partnership = "P"; and Individual = "I") and provide, on separate sheets, the information required in Paragraph 1, 2, or 3 above, as applicable]

ACKNOWLEDGMENT

Pursuant to a power of attorney executed by all signatories to the aforesaid Joint Venture Agreement on _____, a certified copy of which is hereto attached, _____ is the attorney-in-fact for Bidder and is authorized to sign this Bidder's Proposal, the Contract and all documents related thereto for Bidder. **[Strike out this paragraph if not applicable]**

5. **Organizational Structure.**

Provide a brief history of the Bidder's organization. Include an organizational chart or similar document indicating the organizational structure of Bidder, including, without limitation, all apparent and subsidiary organizations of Bidder.

DATED this 17th day of August, 2016.

Attest/Witness

M & O Environmental Company

Bidder

By: *Thomas Castellarin*
Thomas Castellarin

By: *Daniel Schuman*
Daniel Schuman

Title: Safety

Title: Vice President

Subscribed and Sworn to before me this 17th day of August 2016

My Commission Expires: 10/23/2017

Mary M. Castellarin
Notary Public



**SEE GENERAL INSTRUCTIONS TO BIDDERS, SECTION 8,
FOR SIGNATURE REQUIREMENTS**

VILLAGE OF GRAYSLAKE

CONTRACT FOR THE

PRE - BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY

GENERAL CONDITIONS OF CONTRACT

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VILLAGE OF GRAYSLAKE

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GENERAL CONDITIONS OF CONTRACT

ARTICLE I

PERFORMANCE OF THE WORK

1.1 Performance Standards and Obligations

A. Quality of Work.

1. General Standard. All Work shall be provided, performed, and completed in a proper and workmanlike manner, consistent with the highest standards of professional and construction practices and in full compliance with, and as required by or pursuant to, this Contract, and with the greatest economy, efficiency, and expedition consistent therewith. All equipment, materials, and supplies incorporated into the Work shall be new and undamaged and shall be the best of their respective kinds for their intended use.

2. Referenced Standards. References to standards, specifications, manuals, or codes of any technical society, organization, or association, or to codes of local, state or federal authorities, shall mean the latest standard, specification, manual or code adopted and published at the date of the Bidder's Proposal, unless specifically stated otherwise. However, no provision of any referenced standard, specification, manual or code shall change the duties and responsibilities of Owner, Engineer, or Contractor from those set forth in this Contract.

B. Timeliness of Work.

1. Time is of the Essence. The time of beginning, rate of progress, and time of completion of the Work is of the essence of this Contract. Contractor shall be solely responsible for completing the Work in a timely fashion. Contractor shall promptly, continuously, diligently, vigorously, and systematically provide and perform the Work, and all component parts of the Work, within such time or times as may be set forth in this Contract or in the Approved Schedule and to the ends that, and at a rate, with due allowances and contingencies for difficulties or obstructions that may arise out of, or be encountered as a result of, adverse weather conditions, equipment breakdowns, subsurface, underground or other concealed conditions or obstructions, buried structures, utility locations or conditions, adverse soil conditions, and changed site conditions due to work by other contractors, that assures that, all Work, and all component parts of the Work, will be completed and ready for inspection and testing when required pursuant to this Contract and that all Work will be completed in full compliance with, and as required by or pursuant to, this Contract within the Contract Time. Contractor shall cooperate with Owner and Engineer to assure maximum coordination and efficiency in the progress of the Work.

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2. Approved Schedule. Unless otherwise provided in the Special Conditions of Contract, Contractor shall submit to Engineer and Owner, within 10 Days after the execution of this Contract, a detailed schedule of the Work showing the time of beginning and completion for at least every major component of the Work. Such schedule shall be presented in graphical form in a method approved by the Village, which method may include the bar graph method, time-sequence method, critical path method, or such other method as provided in the Special Conditions. Such schedule shall logically and realistically relate the performance of each component of the Work to each other component of the Work and to the whole of the Work so as to demonstrate that sufficient time has been allowed for the completion of each component without interference or delay from or to any other component and with due allowances and contingencies for difficulties or obstructions that may arise out of, or be encountered as a result of, adverse weather conditions, equipment breakdowns, subsurface, underground or other concealed conditions or obstructions, buried structures, utility locations or conditions, adverse soil conditions, and changed site conditions due to work by other contractors. The schedule shall demonstrate Contractor's ability to comply with the requirements of Paragraph 1.1B1 above. Engineer shall return a copy of the schedule to Contractor with such exceptions noted as Engineer may deem appropriate and Contractor shall submit a revised schedule to Engineer within two business days. If acceptable, Engineer shall return a copy of the schedule to Contractor with no exceptions noted ("Approved Schedule"). Engineer and Owner may require the Approved Schedule to be revised or updated as frequently as Engineer or Owner may deem necessary prior to Final Acceptance of the Work. Contractor shall submit to Owner and Engineer an affidavit detailing Contractor's progress toward completion of the Work in accordance with the Approved Schedule within seven days after receipt by Contractor of a request therefor.

3. No Liability. Review and stamping of any Approved Schedule by Engineer shall not constitute approval or acceptance of the schedule or an extension or waiver of the Contract Time and no review by Engineer or Owner, no noting of an exception by Engineer, and no failure to note an exception by Engineer shall relieve Contractor of the entire responsibility for the performance of the Work in full compliance with the requirements of this Contract within the Contract Time. Engineer and Owner's review and stamping, with or without exceptions noted, of any Approved Schedule shall not be regarded as any assumption of risk or liability by Owner or Engineer. Contractor shall have no claim under this Contract on account of any error, omission, or defect in, or revealed by, any Approved Schedule so reviewed and stamped or any failure, partial failure, or inefficiency of any Approved Schedule so reviewed and stamped. Engineer's stamping of any Approved Schedule with no exception noted shall be considered to mean merely that Engineer has no objection to Contractor proceeding, upon its own full responsibility and liability, with the schedule or schedules proposed.

4. Acceleration. If, at any time, the Work, or any component part of the Work, is behind the Approved Schedule, Contractor shall initiate immediate and definite procedures for accelerating the Work as required to bring the Work, and all component parts of the Work, into compliance with the Approved Schedule. Owner shall not be subject to any claims, demands, or liability for Contractor's acceleration damages or costs incurred to keep the Work in compliance with the Approved Schedule, including, but not limited to, damages or costs resulting from, arising out of, or in any way related to increases in time-related costs; increases in costs of labor, equipment, materials, or supplies; costs of additional personnel; costs of

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additional equipment; costs of additional premium time for personnel or equipment; increase in costs for Bond or insurance premiums; lower labor productivity; lost profits or alternative income; effects on other contracts; and costs of demobilization and remobilization. Failure of Owner or Engineer to inform Contractor that Contractor is behind the Approved Schedule or to direct and enforce procedures to ensure compliance with the Approved Schedule shall not relieve Contractor of the entire responsibility for the performance of the Work in full compliance with the requirements of this Contract within the Contract Time.

5. Owner's Right to Perform Work. Any failure of Contractor to comply with this Subsection 1.1B shall entitle Owner to perform or have performed all Work necessary for compliance with this Subsection and to withhold or recover from Contractor the cost of such Work.

C. Completeness of Work. Except for such items as are expressly and specifically required by this Contract to be furnished by Owner, Contractor shall provide at the Work Site, and at no charge to Owner other than the Contract Price, all personnel, equipment, materials, supplies, and other things required to provide, perform and complete the Work described, shown, or reasonably implied, or inferred from prevailing custom or trade usage as being required to produce the results intended, in this Contract. If any personnel, equipment, materials, or supplies that are not directly or indirectly set forth in this Contract are nevertheless necessary to the proper provision, performance, and completion of the whole of the Work in accordance with the intent of this Contract, Contractor shall understand such personnel, equipment, materials, or supplies to be implied and shall provide such personnel, equipment, materials, or supplies as fully as if it were particularly described. Without limiting the foregoing, Contractor, at its sole cost and expense, shall: (1) arrange for a supply of water, heat, light, power, telecommunications, and other services needed for the Work and for testing, including the installation of temporary utility lines, wiring, switches, fixtures, hoses, connections, and meters; (2) provide and maintain sanitary conveniences of sufficient number to accommodate all workers and all personnel of Owner and Engineer engaged in or about the Work; and (3) provide and maintain a clean, weather-tight office, temporary in character, at a central location at the Work Site, with telephone facilities and service, for use as a field office by Contractor, for storage of Contract Drawings and Specifications, for storage of permits and Required Submittals reviewed with no exception noted, and for shelter of workers.

D. Conformity of Work. Contractor shall, at no increase in the Contract Price, provide workmanship, equipment, materials, and supplies that fully conform to this Contract, notwithstanding the fact that Contractor may have based its Bidder's Proposal on workmanship, equipment, materials, or supplies that do not so conform. When the equipment, materials, or supplies furnished by Contractor cannot be installed as specified in the Contract Drawings or Specifications, Contractor shall, without any increase in the Contract Price, make all modifications required to properly install the equipment, materials, or supplies. Any such modification shall be subject to the prior review and consent of Engineer and Owner.

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1.2 Engineer's Authority

Engineer has been employed as an independent contractor to represent Owner during the term of this Contract and to observe the Work in progress on behalf of Owner. To prevent delays and disputes and to discourage litigation, it is agreed by Owner and Contractor that Engineer shall, in all cases, determine the amount, quality, acceptability, and fitness of the several kinds of Work that are to be paid for under this Contract; determine all disputes in relation to the true construction, meaning, and intent of the Contract Drawings and Specifications; and determine all disputes in relation to the execution of the Work, the classifications and measurements of quantities and materials, the suitability of equipment, materials, and supplies, and the fulfillment of this Contract. In interpreting this Contract, Engineer shall be subject to Section 1.3 of the Contract Agreement.

Engineer shall have the power to reject or condemn all Work that is defective, flawed, unsuitable, or nonconforming to the terms of this Contract.

Engineer's determination in all matters shall be a condition precedent to an appeal by Contractor to Owner, to the right of Contractor to receive, demand, or claim any money or other compensation under this Contract, and to any liability on the part of Owner to Contractor on account of this Contract.

1.3 Required Submittals

A. Submittals Required. Contractor shall submit to Engineer all documents, reports, data, and information specifically required to be submitted by Contractor under this Contract and shall, in addition, submit to Engineer all such drawings, specifications, descriptive information, samples, and engineering documents, data, and information as may be required, or as may be requested by Engineer, to show the details of the Work, including a complete description of all equipment, materials, and supplies to be provided under this Contract ("Required Submittals"). Such details shall include, but shall not be limited to, the kind, size, arrangement and operations of component materials and devices; the external connections, anchorages, and supports required; performance characteristics; test data; concrete reinforcement; structural details; dimensions needed for installation and correlation with other equipment, materials, and supplies; principal dimensions, weight, structural and operating features; space required; clearances; utility connections; wiring and control diagrams; type and/or brand of finish or shop coat; adequate operation and maintenance information for all equipment requiring maintenance or other attention; and all similar matters, for all components of the Work. When it is customary to do so, when the dimensions are of particular importance, or for equipment and materials, the Required Submittals shall be certified by the Supplier as correct for, and in full compliance with, this Contract and meeting intended functions.

B. Number and Format. Contractor shall provide complete sets for each Required Submittal with suitable identification as required in the Specifications. All Required Submittals, except drawings, shall be prepared on white 8-1/2 inch by 11 inch paper. All prints of drawings shall be folded to 8-1/2 inches by 11 inches, or less. All drawings shall be clearly marked in the lower right-hand corner with the names of Owner, Engineer, and Contractor.

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C. Verification by Contractor. Contractor shall be responsible for obtaining Required Submittals complying with the foregoing from its Subcontractors and Suppliers and returning reviewed documents to them. Contractor shall check and approve all Required Submittals before submitting them to Engineer for review. Contractor shall check and verify, or resubmit for correction, all Required Submittals prepared by a Subcontractor or Supplier, before submitting them to Engineer. Verification and submission of Required Submittals by Contractor shall be deemed to mean that Contractor has, in fact, reviewed and coordinated the information in the Required Submittals with the requirements of the Work and this Contract. Any Required Submittals submitted to Engineer which have not been checked, reviewed, and stamped "Verified by Contractor," will be returned unprocessed.

D. Time of Submission. All Required Submittals shall be provided to Engineer no later than the time, if any, specified in this Contract for their submission or, if no time for submission is specified, in sufficient time, in Engineer's sole opinion, to permit Engineer to review the same prior to the commencement of the part of the Work to which they relate and prior to the purchase of any equipment, materials, or supplies that they describe.

E. Engineer's Review. Engineer shall review all Required Submittals as soon as reasonably possible after their submission and shall have the right to require resubmittal of, and such corrections in and additions to, any or all Required Submittals as may be necessary to make the Required Submittals conform to this Contract.

F. Responsibility for Delay and Costs of Additional Review. Contractor shall be responsible for any delay in the Work due to delay in providing Required Submittals conforming to this Contract. In the event more than two re-submittals of any Required Submittal is necessary to make such Required Submittal conform to this Contract, Contractor shall be charged the total cost incurred by Engineer for all subsequent reviews of Required Submittals. If the amount due Contractor is not sufficient to cover such costs, Contractor shall reimburse Owner for such costs upon demand.

G. Condition Precedent to Performance of Work. No Work with respect to which any Required Submittal is required or has been requested, and no Work dependent on any such Work, shall be provided or performed unless and until the Required Submittal for such Work has been reviewed and stamped by Engineer with no exception noted. No equipment, materials, or supplies shall be purchased, fabricated, or installed until all Required Submittals pertaining thereto have been reviewed and stamped by Engineer with no exception noted. Where samples are required, the samples reviewed and stamped by Engineer with no exception noted shall be kept at the Work Site for comparison with, and to establish the standards of acceptance for, equipment, materials or supplies proposed for incorporation into the Work.

H. Incorporation After Review With No Exception Noted. Every Required Submittal that is reviewed and stamped by Engineer with no exception noted shall immediately thereupon become a part of the Contract Documents, and the Work shown or described thereby shall be performed in conformity therewith unless otherwise required by Engineer.

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I. No Liability. Review and stamping of any Required Submittal by Engineer shall be for the sole purpose of examining the general arrangement, design, and details of the proposed Work, and no review by Engineer, no noting of an exception by Engineer, and no failure to note an exception by Engineer shall relieve Contractor of the entire responsibility for the performance of the Work in full compliance with the requirements of this Contract. Engineer's review and stamping, with or without exceptions noted, of any Required Submittal shall not constitute an approval of any part of the Work shown in such Required Submittal and shall not be regarded as any assumption of risk or liability by Owner or Engineer. Contractor shall have no claim under this Contract on account of any error, omission or defect in, or revealed by, any Required Submittal so reviewed and stamped. Engineer's stamping of any Required Submittal with no exception noted shall be considered to mean merely that Engineer has no objection to Contractor proceeding, upon its own full responsibility and liability, with the Work as shown on such Required Submittal.

1.4 Administration of the Work

A. Contractor's Duty to Administer the Work. Contractor shall have full and sole responsibility for administration of the Work. Contractor's field organization shall include fully qualified and adequate management, supervisory and technical personnel to insure competent and expeditious handling of all matters related to the Work. Contractor shall have full and sole responsibility for keeping all personnel, equipment, materials, supplies, and other things required to provide, perform, and complete the Work within the designated construction area limits of the Work Site and out of areas not designated for Contractor's use. On all other lands, Contractor shall have no rights unless it obtains them from the proper parties.

Owner shall have the authority to order Contractor to remove from the Work Site any of Contractor's employees or any Subcontractors' employees who fail to discharge responsibilities, refuse to obey instructions, who are incompetent, abusive, threatening, or disorderly in their conduct, or who otherwise fail to perform that part of the Work undertaken in a manner satisfactory to Owner. Any such Person so removed shall not be employed again on the Work. No adjustment in the Contract Price or Contract Time shall be made as a result of such removal.

All Subcontractors and Suppliers shall be directly responsible to Contractor and shall be subject to Contractor's supervision and control. Contractor shall have the duty to coordinate all Subcontractors and Suppliers so as to avoid hindrance or interference among them and to ensure that the Work will be completed in full compliance with, and as required by or pursuant to, this Contract and within the Contract Time.

Contractor shall perform the Work with its own personnel and under the management, supervision, and control of its own organization unless otherwise approved by Owner in writing. All subcontractors, suppliers, and subcontracts used by Contractor shall be acceptable to, and approved in advance by, Owner. Owner's approval of any subcontractor, supplier, and subcontract shall not relieve Contractor of full responsibility and liability for the provision, performance, and completion of the Work in full compliance with, and as required by or pursuant to, this Contract. All Work performed under any subcontract shall be subject to all

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of the provisions of this Contract in the same manner as if performed by employees of Contractor. Every reference in this Contract to "Contractor" shall be deemed also to refer to all subcontractors and suppliers of Contractor. Every subcontract shall include a provision binding the subcontractor or supplier to all provisions of this Contract.

Contractor shall attend, and shall cause any Subcontractor or Suppliers whose attendance is requested to attend, any pre-construction meetings or construction progress meetings as may be necessary for the orderly performance of the Work, as determined by Owner or Engineer.

B. Contractor's Superintendent. Contractor shall appoint and employ throughout the performance of the Work a competent superintendent who shall be approved by Owner in writing and who shall have complete charge of the Work on behalf of Contractor. Contractor's superintendent shall be at the Work Site at all times during performance of the Work. Contractor shall, before beginning the Work, and at all times during the performance of the Work, keep Owner advised in writing of such superintendent's name and address, and of telephone numbers where such superintendent may be reached at all times. Such superintendent shall not be changed without the consent of Owner unless the individual serving in that capacity leaves Contractor's employ or becomes unable to serve due to circumstances beyond the control of Contractor, which shall in no event be construed to include the necessity of employing such Person on any other contract or work. Any substitute superintendent proposed by Contractor shall be approved by Owner in writing. In any case where Owner determines the performance of Contractor's superintendent is unsatisfactory or unacceptable to Owner, Owner shall have the right to require Contractor to remove such superintendent and to replace such superintendent with a new superintendent satisfactory to Owner. No adjustment in the Contract Price or Contract Time shall be made as a result of such removal.

1.5 Conditions at the Work Site; Record Drawings

Contractor shall be fully responsible for conditions found at, and in the vicinity of, the Work Site. Contractor shall have no claim for damages, for compensation in excess of the Contract Price except as expressly provided, and only to the limited extent set forth, in Sections 2.1 through 2.3 of these General Conditions of Contract, or for a delay or extension of the Contract Time based upon conditions found at, or in the vicinity of, the Work Site. When information pertaining to subsurface, underground or other concealed conditions or obstructions, soils analysis, borings, test pits, buried structures, utility locations or conditions, conditions of existing structures, and similar site information or data and other investigations is or has been shown or indicated on the Contract Drawings, is or has been provided by Owner or Engineer, or is or has been otherwise made available to Contractor by Owner or Engineer, such information is or has been shown, indicated, provided, or made available solely for the convenience of Contractor and is not part of this Contract. Owner assumes no responsibility whatever in respect to the sufficiency or accuracy of such information, and there is no guaranty or warranty, either expressed or implied, that the conditions indicated are representative of those existing throughout the Work or the Work Site, or that the conditions indicated are representative of those existing at any particular location, or that contractors working on other projects may not change the

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conditions indicated at, and in the vicinity of, the Work Site, or that unanticipated conditions may not be present.

Contractor shall be solely responsible for locating all existing underground installations by prospecting no later than two workdays prior to any scheduled excavation or trenching or 200 lineal feet in advance of such excavation or trenching, whichever is earlier. Contractor shall, prior to any excavation, notify the Joint Utility Locating Information for Excavators (J.U.L.I.E.), (1-800-892-0123), and, with respect to owners or operators of underground utility facilities who are not members of J.U.L.I.E., shall directly notify such non-member owners or operators and shall otherwise fully comply with the Illinois Underground Utility Facilities Damage Prevention Act, 220 ILCS 50/1 et seq. Contractor shall check all dimensions, elevations, and quantities shown on the Contract Drawings and Specifications within the same time period as set forth above for prospecting underground installations. Contractor shall lay out the Work in accordance with the Contract Drawings and Specifications and shall establish and maintain such locations, lines and levels, except that wherever pre-existing work is encountered, Contractor shall verify and be responsible for dimensions and locations of such pre-existing work. Contractor shall notify Engineer of any discrepancy between the dimensions, elevations and quantities shown on the Contract Drawings and Specifications and the conditions of the Work Site or any other discrepancies which Contractor may discover during such inspections. Contractor shall make any necessary adjustments in the alignment or grade of the Work, subject to Engineer's approval, to pass around, over, or under any obstruction discovered without any equitable adjustment in the Contract Time or, except as expressly provided, and only to the limited extent set forth, in Sections 2.1 through 2.3 of these General Conditions of Contract, the Contract Price.

Contractor shall maintain, during the progress of the Work, up-to-date copies of all Contract Drawings and Specifications and a continuous record of all field deviations from the Contract Drawings. Before Final Acceptance of the Work, Contractor shall submit to Owner two printed sets of Drawings of Record, unless a greater number is specified elsewhere in this Contract, indicating all necessary additions and corrections to the Contract Drawings to show record conditions for verification of Engineer's drawings of record. Upon acceptance of Contractor's printed Drawings of Record, Contractor shall also submit to Owner electronic Drawings of Record in an electronic file format acceptable to Owner. Each such drawing and electronic drawing file shall be plainly marked "Drawing of Record" near the title block and shall be certified as to correctness by Contractor.

1.6 Safety of the Work Site

A. Contractor's Responsibility. Contractor shall be solely and completely responsible for providing and maintaining safe conditions at the Work Site, including the safety of all Persons and property during performance of the Work. This requirement shall apply continuously and shall not be limited to normal working hours. Contractor shall take all safety precautions as shall be necessary to comply with all applicable Laws, regulations, and guidelines, including without limitation OSHA, and to prevent injury to Persons and damage to property. Contractor shall employ or hire a competent safety representative or Subcontractor, who is capable of identifying predictable and existing conditions that are unsanitary, hazardous, or

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dangerous to Persons or property, to devise, supervise and ensure compliance with all safety precautions and programs as shall be necessary to comply with all applicable Laws, regulations, and guidelines, including without limitation OSHA, and to prevent injury to Persons and damage to property. Contractor shall advise Owner, in writing, of such safety representative's name, address, and telephone number or numbers where such safety representative may be reached at all times, 24 hours per Day, and such safety representative shall have full and complete authority to promptly correct or eliminate any such unsanitary, hazardous, or dangerous conditions. Neither Owner nor Engineer shall be responsible for conditions at the Work Site, nor for the safety of Persons or property, during the performance of the Work.

Contractor is advised that potentially hazardous conditions described in the Illinois Health and Safety Act, federal OSHA Regulations and Guidelines, ANSI Standard B30.5-1968 as amended, ANSI Standard Z117.1-1995 as amended, and Illinois Department of Labor Rules and Regulations, could be encountered during the performance of the Work, including without limitation energized electrical facilities and overhead wires; cranes, derricks, and other hoisting machinery with operational and use limitations, special hazard warnings and instructions, and revolving superstructures requiring proper barricading; underground utility facilities requiring protection, support, or removal to safeguard employees; excavations requiring, among other things, safe means of egress and protection from cave-ins, fall-ins, hazardous atmospheres, hazardous substances, and other hazardous conditions; and confined or enclosed spaces that are subject to the accumulation of hazardous substances or toxic or flammable contaminants or that have oxygen deficient or other hazardous atmospheres, requiring, among other things, independent fall protection, respiratory equipment, ventilation, two-way communication with the outside, and safe means of egress. Contractor should take special notice of the potentially hazardous conditions identified in this paragraph and take all necessary precautions to guard against such potential hazards, including without limitation conducting employee safety training and education, posting warnings and instructions, testing and inspecting, and utilizing adequate protective and emergency systems, equipment, and devices, in as much safety remains Contractor's sole responsibility under this Contract. Contractor is directed to the Illinois Health and Safety Act, federal OSHA Regulations and Guidelines, including without limitation Construction Industry Safety & Health Regulations as outlined in Part 1926 of US Dept. of Labor Chapter XVII - Occupational Safety and Health Administration, Title 29, and US Dept. of Labor Document OSHA 2202 "OSHA Safety and Health Standards Digest," ANSI Standard B30.5-1968 as amended, ANSI Standard Z117.1-1995 as amended, and Illinois Department of Labor Rules and Regulations for a further description of these potentially hazardous conditions and the regulations applicable thereto.

Contractor is being notified of these potentially hazardous conditions so that Contractor may independently assess the potentially hazardous conditions and take the necessary precautions to ensure a safe workplace pursuant to this Contract and Contractor's legal obligations. Owner's notification of these potentially hazardous conditions should not be construed to be, nor interpreted as, an exclusive listing of the potentially hazardous conditions that could be encountered during the performance of the Work but, rather, such notice shall be construed to be, and interpreted as, exemplary only. Owner's notification of these potentially hazardous conditions should not be construed or interpreted as waiving Contractor's sole and complete responsibility for conditions at the Work Site or for providing and maintaining safe

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conditions at the Work Site, including the safety of all Persons and property during performance of the Work. Owner will not make independent observations of conditions at any time or advise contractor in or direct contractor on these matters. This notification of potentially hazardous conditions is provided solely to assist Contractor in the performance of these duties, in the interest of maximum safety.

B. Traffic. Contractor shall conduct all of its operations without interruption of or interference with vehicular and pedestrian traffic on public and private rights-of-way, unless it has obtained permits therefor from the proper authorities. All public and private rights-of-way not closed by permission of the proper authorities shall be maintained passable and safe by Contractor, who shall assume and have full responsibility for the adequacy and safety or provisions made therefor. If any public or private right-of-way shall be rendered unsafe by Contractor's operations, Contractor shall make such repairs or provide such temporary ways or guards as shall be acceptable to the proper authorities.

Contractor shall, at least 48 hours in advance, notify the proper authorities in writing, with a copy to Engineer, if the closure of any public or private right-of-way is necessary. Contractor shall cooperate with the proper authorities in the establishment of alternate routes and shall provide adequate detour signs, plainly marked and well lighted, in order to minimize confusion.

C. Fire Protection. Access to sources of water for fire protection shall be identified and be available at all times. Fire hydrants and stop valves adjacent to the Work shall be kept clear and readily accessible to fire apparatus and no materials or other obstruction shall be placed, parked or stored within 15 feet of any hydrant or stop valve except by special permission of the proper authorities.

Only demolition procedures that minimize fire hazards to the extent practicable shall be used. There shall be no open burning or confined trash fires. Combustible debris and waste materials shall be collected or removed from the Work Site each workday. Fuels, solvents, and other volatile or flammable materials shall be stored away from construction and storage areas in well-marked, safe containers. Good housekeeping, essential to fire prevention, shall be practiced by Contractor throughout the Work.

Contractor shall provide complete and safe access to the Work Site by personnel of Owner's Fire Department at all times and upon demand.

D. Accident Records; Insurance Adjusters. Contractor shall maintain an accurate record of all accidents and other incidents resulting in death, injury, or occupational disease to any Person or in damage to, or loss of, any property and shall promptly report any such accident or incident to Owner and shall provide Owner with copies of all correspondence and pleadings related thereto, including insurance claims and settlements. Contractor shall arrange for Contractor's insurance adjuster to meet with any Person affected by any such accident or other incident promptly and, in all events, within 48 hours after Contractor's receipt of notice from such Person, and a report of the insurance adjuster's findings shall be delivered to such Person within 10 days thereafter, copies of which shall be provided to Owner and Engineer.

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1.7 Cleanliness of the Work Site and Environs

Contractor shall keep the Work Site and adjacent areas clean at all times during performance of the Work and shall remove and properly dispose of all waste and surplus materials from the Work Site in a timely manner. If Contractor fails to comply with its obligations under this Section, Owner shall have the right to perform, or to have performed, such obligations and to withhold or recover the cost thereof from Contractor.

1.8 Damage to the Work, the Work Site, and Other Property

The Work and everything pertaining thereto shall be provided, performed, completed, and maintained at the sole risk and cost of Contractor from the Commencement Date until Final Payment. Contractor shall be responsible and liable for any damages, losses, and injuries resulting from its operations. Contractor shall be fully responsible for the protection of all public and private property and all Persons. Without limiting the foregoing, Contractor shall, at its own cost and expense, (1) provide temporary heating, covering and enclosures, to the satisfaction of Engineer, as necessary to protect the Work against damage by dampness and cold, to dry out the Work, and to facilitate the completion of the Work; (2) provide all permanent and temporary shoring, anchoring and bracing required by the nature of the Work, in order to make all parts absolutely stable and rigid, even when such shoring, anchoring and bracing is not explicitly specified; and (3) support and protect all buildings, bridges, roadways, conduits, wires, water pipes, gas pipes, sewers, pavements, curbs, sidewalks, fixtures and landscaping of all kinds and all other public or private property that may be encountered or endangered in providing, performing and completing the Work.

Contractor shall have no claim against Owner because of any damage or loss to the Work or to Contractor's equipment, materials, or supplies from any cause whatever, including damage or loss due to simultaneous work by others.

Contractor shall, promptly and without charge to Owner, repair or replace, to the satisfaction of Owner, any damage done to, and any loss suffered by, the Owner, the Work and any damage done to, and any loss suffered by, the Work Site or other property as a result of the Work.

No specific provision of this Contract to the effect that Contractor shall be responsible and liable at its sole risk and cost for the Work or any part thereof or for damage, loss, or injury caused by Contractor shall be construed to be an exclusive listing of the circumstances in which Contractor bears such responsibility and liability, but, rather, all such provisions shall be construed to be exemplary only.

Notwithstanding any other provision of this Contract, Contractor's obligations under this Section shall exist without regard to, and shall not be construed to be waived by, the availability or unavailability of any insurance, either of Owner or Contractor, to indemnify, hold harmless, or reimburse Contractor for the cost of any repair or replacement work required by this Section.

1.9 Subcontractors and Suppliers

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A. Approval and Use of Subcontractors and Suppliers. Contractor shall perform the Work with its own personnel and under the management, supervision, and control of its own organization unless otherwise approved by Owner in writing, which approval Owner may exercise and revoke in its sole discretion. All Subcontractors, Suppliers, and Subcontracts used by Contractor shall be acceptable to, and approved in advance by, Owner. All Persons engaged in the Work, whether or not as approved Subcontractors, shall be deemed to be employees of Contractor for all purposes and Contractor hereby assumes, in addition to any liability imposed by law upon Contractor for its Subcontractors, full responsibility and liability for such Subcontractors as if they were the employees of Contractor. Nothing in this Contract shall be construed to create any contractual relationship between Owner and any Subcontractor or Supplier. All relations with approved Subcontractors and Suppliers shall be the responsibility of Contractor, and Owner shall not be responsible or obligated to deal directly with any Subcontractor or Supplier.

Contractor is responsible for providing, performing, and completing all Work that meets or exceeds specified requirements notwithstanding specific references in the Contract Drawings or Specifications to duties and obligations of other contractors, Subcontractors, Suppliers, manufacturers, trades, etc., all at no extra cost to Owner other than the Contract Price. All such duties and obligations specifically imposed upon such other contractors, Subcontractors, Suppliers, manufacturers, trades, etc., shall be deemed to be imposed upon Contractor.

Owner's approval of any subcontractor, supplier, and subcontract shall not relieve Contractor of full responsibility and liability for the provision, performance, and completion of the Work in full compliance with, and as required by or pursuant to, this Contract. All Work performed under any subcontract shall be subject to all of the provisions of this Contract in the same manner as if performed by employees of Contractor. Every reference in this Contract to "Contractor" shall be deemed also to refer to all subcontractors and suppliers of Contractor. Every subcontract shall include a provision binding the subcontractor or supplier to all provisions of this Contract.

If Owner refuses to approve any Subcontractor or Supplier, or, having once approved a Subcontractor or Supplier, thereafter advises Contractor that such Subcontractor or Supplier is no longer acceptable to Owner, then Contractor shall undertake the Work itself or propose another Subcontractor or Supplier for Owner's approval. No adjustment of the Contract Price or Contract Time shall be made as a result of Owner's refusal to approve, or Owner's revocation of any approval of, any Subcontractor or Supplier.

This Section shall not be construed to prohibit Owner, if and when it exercises any of its rights under Section 6.6 of these General Conditions of Contract, from entering into an independent contractual relation with any Subcontractor or Supplier employed by Contractor, and no such relation shall be construed as interfering with any Subcontract or other relation Contractor may have with such Subcontractors and Suppliers.

B. Subcontractor and Supplier Requirements. In addition to any and all conditions and other requirements that may be imposed by Owner in its approval of any Subcontractor or Supplier, all Work performed under any Subcontract shall be subject to the

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same provisions set forth in this Contract for the Work performed by Contractor. Furthermore, every Subcontract shall include at least the following provisions:

1. **Flow-down.** A statement that this Contract has been reviewed by the Subcontractor or Supplier; that Subcontractor or Supplier agrees to be bound by the terms, provisions, and conditions of this Contract so far as they are applicable to the Work under its Subcontract; that Subcontractor or Supplier agrees to assume all obligations and responsibilities of Contractor under this Contract; and that Subcontractor or Supplier agrees to be bound by and governed by any change or alteration in this Contract.
2. **Discrimination.** The provisions of the Public Works Employment Discrimination Act, 775 ILCS 10/1 et seq., shall be printed or otherwise inscribed on the face of the Subcontract.
3. **Laws.** A statement substantially identical to Section 6.11 of the Contract Agreement requiring Subcontractor or Supplier to comply with all Laws.
4. **Application of Payments.** A statement that Subcontractor or Supplier agrees that all funds received directly or indirectly from Owner shall be applied to the payment or reimbursement of the costs for which they were paid and not to any preexisting or unrelated debt between Contractor and Subcontractor or Supplier.
5. **No Compensation for Delay.** A statement substantially identical to Subsection 2.3D of these General Conditions of Contract to the effect that there shall be no payment, compensation, damages, or adjustment of any kind, other than an extension of time, because of hindrances or delays, whether avoidable or unavoidable, from any cause in the commencement, provision, performance, or completion of the Work under the Subcontract.
6. **Termination for Convenience of Contractor.** A statement that the Subcontract may be terminated for the convenience of Contractor, if this Contract is terminated for any reason by Owner or if Owner exercises its right to require termination of the Subcontract; provided, however, that no such termination shall defeat Owner's rights under Paragraph 1.9B7 below.
7. **Conditional Assignment.** A statement that Subcontractor or Supplier agrees to the assignment of the Subcontract to Owner, at Owner's option exercised by written notice to Subcontractor or Supplier and without further action, if this Contract is terminated by Owner and that no such assignment shall be construed as

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interfering with Subcontractor's or Supplier's Subcontract with Contractor.

8. **Dispute Resolution.** A statement that in case of any dispute or claim between Subcontractor or Supplier and Contractor involving Owner, or between Contractor and Owner involving Subcontractor or Supplier, Subcontractor or Supplier agrees to be bound by the provisions in this Contract pertaining to the resolution of disputes to the same extent that Contractor is bound to Owner by the terms of this Contract; and that Subcontractor or Supplier agrees to be bound by any and all decisions or determinations made thereunder as authorized in this Contract; and that Subcontractor or Supplier agrees to join in, or consolidate any claim it may have with, any related pending dispute resolution proceeding or to allow such joinder or consolidation of other related claims with its claim; and that Subcontractor or Supplier agrees that, pending the final disposition of any dispute or claim under or in any way relating to the Subcontract, Subcontractor or Supplier shall proceed diligently with all Work to be performed by it under its Subcontract.
9. **Representations and Warranties.** A statement of representations and warranties substantially identical to Article III of the Contract Agreement.

1.10 Simultaneous Work By Others

A. **By Owner.** Owner shall have the right to perform or have performed such other work as Owner may desire in, about, or near the Work Site during the performance of the Work by Contractor.

B. **Coordination.** Contractor shall make every reasonable effort to perform the Work in such manner as to enable both the Work and such other work to be completed without hindrance or interference from each other. Contractor shall keep itself informed of the progress and the detail of such other work; shall afford Owner and other contractors reasonable opportunity for the execution of such other work; shall properly connect and coordinate the Work with such other work; and shall notify Engineer immediately of lack of progress or defective workmanship in the provision, performance, or completion of such other work in any case where such lack of progress or defective workmanship will or may interfere with the Work or the operations of Contractor or its Subcontractors. Whenever there is a conflict between the Work and such other work, Engineer shall, upon request of Contractor or the Person performing such other work, determine the manner in which such conflict shall be resolved or accommodated. Contractor shall proceed at its own risk in the event Contractor fails to request such determination from Engineer.

C. **By Others.** Contractor acknowledges that other contractors not under the direction or control of Owner may be encountered in the performance of the Work by Contractor.

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Contractor shall perform the Work in such a manner as to enable both the Work and the work of such other contractors to be completed without hindrance or interference from each other.

D. Changes. If other contractors, regardless of whether such contractors are under the direction or control of Owner or are not under the direction or control of Owner, change the conditions found at, or in the vicinity of, the Work Site, both Contractor and Owner shall treat the new conditions as if they were previously existing conditions. Owner shall not be entitled to any credits and Contractor shall not be entitled to any equitable adjustment in the Contract Price as a result of such changes except as expressly provided, and only to the limited extent set forth, in Sections 2.1 through 2.3 of these General Conditions of Contract.

E. Claims. If the Work or any of Contractor's operations or property is damaged by any other Person, Contractor shall make its claim directly against such Person. If a dispute develops between Contractor and any such other Person concerning the responsibility for any such damage, the dispute shall be resolved with such other Person by whatever method may be available and appropriate, but such dispute shall not be cause for delay in the restoration of the damaged Work, and Contractor shall restore the Work immediately. Failure of Contractor to comply with this Subsection shall entitle Owner to perform, or to have performed, all Work necessary for compliance with this Subsection 1.10E and to withhold or recover from Contractor the cost of such Work.

1.11 Occupancy Prior to Final Acceptance

Owner shall have the right, at its election, to use any part of the Work prior to Final Acceptance of the Work. Such use shall be conducted in such manner as not to damage any of the Work or to unreasonably interfere with the progress of the Work. No such use shall be construed as an acceptance of any of the Work or a release or satisfaction of Contractor's duty to insure and protect the Work, nor shall it be considered as an interference with Contractor's provision, performance, or completion of the Work.

1.12 Suspension or Termination of Work for Convenience

A. Suspension for Convenience. Owner shall have the right at any time, by Change Order, for its convenience, to suspend, for such period of time as may be determined by Owner to be necessary or desirable for the convenience of Owner, and thereafter to require resumption of, the whole or any part of the Work, without invalidating the provisions of this Contract. Contractor shall not be entitled to any equitable adjustment in the Contract Price as a result of any such suspension for convenience of Owner.

B. Termination for Convenience. Owner shall have the right at any time, by Change Order, for its convenience, to terminate the Work in whole or in part.

C. Owner's and Contractor's Obligations. Every Change Order issued pursuant to Subsection 1.12A or Subsection 1.12B shall state the extent and effective date of such termination or suspension. On such effective date, Contractor shall, as and to the extent directed, stop Work under this Contract, cease all placement of further orders or Subcontracts, terminate or suspend Work under existing orders and Subcontracts, cancel any outstanding

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orders or Subcontracts that can be canceled, and take any action necessary to protect any property in its possession in which Owner has or may acquire any interest and to dispose of such property in such manner as may be directed by Owner.

D. Payments for Completed Work. In the event of any termination pursuant to Subsection 1.12B above, Owner shall pay Contractor (1) such direct costs, determined in accordance with generally accepted accounting practices in the construction industry, consistently applied, and excluding overhead, as Contractor shall have paid or incurred for all Work done in compliance with, or as required by or pursuant to, this Contract up to the effective date of termination, together with ten percent of such costs for overhead and profit; and (2) such other costs pertaining to the Work, exclusive of overhead and profit, as Contractor may have reasonably and necessarily incurred as the result of any such termination. The total payment to be made to Contractor by reason of such termination shall not in any event exceed a percentage of this Contract equal to the proportion that the Work completed prior to the effective date of termination bears to the total Work required by this Contract. Any such payment shall be offset by any prior payment or payments and shall be subject to Owner's rights to withhold or deduct as provided in this Contract.

ARTICLE II CHANGES AND DELAYS

2.1 Changes

A. Field Adjustments. No equitable adjustment shall be made in the Contract Price, and no Change Order, other than a possible Balancing Change Order pursuant to Paragraph 5.1C2 of these General Conditions of Contract, shall be issued, for field adjustments in the Work ordered by Owner or resulting from, arising out of, or in any way related to, conditions found at, or in the vicinity of, the Work Site, including subsurface, underground or other concealed conditions or obstructions, buried structures, utility locations or conditions, adverse soil conditions, changed site conditions due to work by other contractors, and similar site conditions, that, in combination with all Change Orders and all other field adjustments, increase the quantity of any Unit Price Item by 25 percent or less of the approximate quantity for that Unit Price Item set forth in the Schedule of Prices, or increase the quantity of discrete units comprising any lump sum component part of the Work by 25 percent or less of the quantity of discrete units comprising that lump sum component part of the Work set forth in the Breakdown Schedule, as the case may be. Contractor shall be solely responsible for dealing with such field adjustments and Owner shall not be entitled to any credits and Contractor shall not be entitled to any equitable adjustments in the Contract Price as a result of such field adjustments. For Work to be paid on a Unit Price basis, any such increases in the quantity of any Unit Price Item shall be paid for at the respective Unit Price for each such Unit Price Item set forth in the Schedule of Prices. For lump sum Unit Prices, the percentage of increase, and the amount to be paid for such field adjustments, shall be determined on the basis of the number of discrete units comprising such lump sum Unit Price Item set forth in the Breakdown Schedule for that lump sum Unit Price Item. For Work to be paid on a lump sum basis, no amounts shall be paid for such increases in any lump sum component part of the Work other than the lump sum amount included in the Breakdown Schedule for that lump sum component part of the Work.

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B. Change Orders. Owner shall have the right to issue Change Orders to Contractor without the consent of Contractor and without notice to any surety of Contractor. Owner shall also issue Change Orders making an equitable adjustment in the Contract Price for any field adjustment as set forth in Subsection 2.1A above that, in combination with all Change Orders and all other field adjustments pursuant to Subsection 2.1A above, increase the quantity of any Unit Price Item by more than 25 percent of the approximate quantity for that Unit Price Item set forth in the Schedule of Prices, or increase the quantity of discrete units comprising any lump sum component part of the Work by more than 25 percent of the quantity of discrete units comprising that lump sum component part of the Work set forth in the Breakdown Schedule, as the case may be, but only for that portion of Work that exceeds 120 percent of said quantity or discrete units comprising a lump sum component part of the Work. For lump sum Unit Prices, the percentage of increase shall be determined on the basis of the number of discrete units comprising such lump sum Unit Price Item set forth in the Breakdown Schedule for that lump sum Unit Price Item.

Contractor shall promptly comply with every Change Order, notwithstanding any disputes or objections concerning such Change Order. No Change Order shall be construed to invalidate this Contract not to entitle Contractor to additional compensation except and only to the extent provided in Sections 2.2 and 2.3 below.

No Balancing Change Order issued pursuant to Paragraph 5.1C2 of these General Conditions of Contract shall constitute, be deemed to be, or operate as, an equitable adjustment in the Contract Price.

C. Classification. For purposes of Subsections 2.1A and 2.1B above, in determining whether an equitable adjustment in the Contract Price shall be made based upon any field adjustment, any increase in any component part of the Work included or subsumed within a Unit Price Item as defined in the Contract Drawings and Specifications, or included or subsumed within a discrete unit comprising a lump sum component part of the Work set forth in the Breakdown Schedule, as the case may be, shall be classified under such Unit Price Item or discrete unit, and the fact that Contractor uses a different method of providing, performing, and completing such field adjustment than originally contemplated shall not be a basis for not classifying such Work under one or more of the Unit Price Items set forth in the Schedule of Prices, or under one or more of such discrete units set forth in the Breakdown Schedule, as the case may be.

2.2 Equitable Adjustments

Subject to the limitations set forth in this Article II, if any Change Order causes an increase or decrease in the amount of the Work or if a Change Order is required to be issued for certain field adjustments as set forth in Subsection 2.1B above, an equitable adjustment in the Contract Price or Contract Time may, upon the request of either Owner or Contractor, be made pursuant to Section 2.3 or Section 2.4 of these General Conditions of Contract.

Any Change Order issued that does not include an equitable adjustment in the Contract Price or Contract Time shall be construed to be a determination by Owner that

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Contractor is not entitled to any equitable adjustment by reason of such Change Order. All claims by Contractor for an equitable adjustment in either the Contract Price or the Contract Time based on a Change Order shall be made, whenever feasible, before Contractor proceeds with any Work pursuant to such Change Order and shall, in all events, be made no later than two business days after receipt of such Change Order. All such claims shall, if not made prior to such time, be conclusively deemed to have been waived. Any claims by Contractor for an equitable adjustment in the Contract Price or Contract Time that have not been included, or fully included, in a Change Order shall not relieve Contractor of its responsibility to proceed without delay to perform the Work in compliance with the Change Order.

No equitable adjustment shall be made in the Contract Price or Contract Time on the basis that the Work is, or has become, more difficult than Contractor's Price Proposal would reflect or because of any risk or change in the Work that Contractor is responsible for dealing with under this Contract without any equitable adjustment in the Contract Price or Contract Time as set forth in Subsection 2.1A above and in Subsection 2.4A below.

2.3 Contract Price Adjustments

A. **Increased Work.** If any Change Order causes an increase in the amount of the Work or if a Change Order is required to be issued for certain field adjustments as set forth in Subsection 2.1B above ("Increased Work"), then Engineer shall determine, and include in such Change Order, subject to the limitations of Sections 2.1 and 2.2 above, the amount of the equitable adjustment in Contract Price, if any, to be allowed. Such determination shall be made as follows:

1. **Unit Prices.** If the Schedule of Prices provides Unit Prices and if the Increased Work or any part thereof that can be classified under one or more of the Unit Price Items set forth in the Schedule of Prices, then such Increased Work or part thereof classified under such Unit Price Item shall be paid for at the Unit Price listed in the Schedule of Prices for such Unit Price Item unless, for good cause shown, Contractor and Owner agree upon either a greater or lesser Unit Price for such Increased Work or part thereof or unless Owner, in its sole discretion, elects not to pay for the Increased Work or part thereof on the basis of Unit Prices, in which event, such Increased Work shall be paid for as set forth in either Paragraph 2.3A2 or Paragraph 2.3A3 below.
2. **Agreed Prices.** If the Schedule of Prices does not provide Unit Prices or if the Increased Work or any part thereof cannot be classified under one or more of the Unit Price Items set forth in the Schedule of Prices or if Owner elects, pursuant to Paragraph 2.3A1 above, not to pay for the Increased Work or part thereof on the basis of Unit Prices, then such Increased Work or part thereof shall be paid for on the basis of such lump sum price or such time and material prices as Owner and Contractor may agree prior to the

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commencement of such Increased Work unless Owner elects, in its sole discretion, to pay for such Increased Work or part thereof as set forth in Paragraph 2.3A3 below.

3. Reasonable Cost Plus. Any Increased Work or part thereof not paid for pursuant to Paragraphs 2.3A1 or 2.3A2 above shall, to the extent entitled to be paid for pursuant to this Contract, be paid for at the reasonable cost of such Increased Work or part thereof, as determined by Engineer, in the manner provided in this Paragraph.

Except as hereinafter limited, the reasonable cost of Increased Work shall include the reasonable cost, as determined by Engineer, to Contractor of all personnel employed and all equipment, materials, and supplies used, on the Increased Work for the period of such employment or use.

The reasonable cost of Increased Work shall include amounts paid, if any, for Social Security, insurance such as workers' compensation, other direct assessments upon Contractor's payroll by authorized public agencies, and other approved assessments such as union benefits not normally included in payments made directly to employees but customarily recognized as part of the payroll cost of doing the Work.

The reasonable cost of Increased Work shall not include insurance not directly related to payroll expenses such as liability insurance or property damage insurance.

The reasonable cost of Increased Work shall not include the cost of any purchase or rental of any buildings or small tools.

The reasonable cost of Increased Work shall not include the cost of any personnel above the level of foreman or the cost of Contractor's office and engineering staff.

The reasonable cost of all equipment used on the Increased Work shall be based upon the monthly rental rates set forth in the most recent edition of RENTAL RATE BLUEBOOK FOR CONSTRUCTION EQUIPMENT published by Neilson/DATAQUEST or a similar publication approved by Engineer (the "Approved Rate"). The reasonable hourly cost of equipment shall be calculated by multiplying the Approved Rate (without consideration of overtime charges or charges for fuel and oil) by 12 and dividing the product by 2,080. If the Increased Work requires the use of equipment not already on the Work Site, or not already required to be provided at the Work Site under the terms of

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this Contract, the cost of transportation, not exceeding a distance of 100 miles, of such equipment to and from the Work Site shall be considered part of the reasonable cost of the Increased Work.

Contractor may add a maximum of fifteen percent of the reasonable costs set forth above to cover the costs of use of capital, overhead, and profit, including premiums on any Bonds or insurance on account of the Increased Work (except as hereinbefore permitted for direct reimbursement, and profit and overhead of any and all Subcontractors and Suppliers performing all or any part of the Increased Work.

Contractor shall keep a daily record of all Increased Work provided, performed, or completed by Contractor or any Subcontractor or Supplier. The daily record shall include the nature of the Increased Work performed, the names of all personnel employed and the hours worked by each, the equipment, materials and supplies used, including, where appropriate, the quantities used and the hours of use. To constitute verification that Increased Work was provided, performed, or completed, the daily record for each Day must be signed by both Contractor and Engineer not later than the end of the following business day. Contractor's failure to so keep and so verify such a daily record shall constitute a waiver of any claim for compensation for Increased Work.

In the event of any dispute as to the reasonableness of the method or manner of performing any Increased Work, or the cost thereof, including, but not limited to, personnel or equipment requirements to perform the Increased Work, Contractor shall provide all supporting documentation, including cancelled checks, payroll documentation, and any relevant union requirements or regulations. In the absence of such supporting documentation, Engineer's determination of the reasonableness of the chosen method or manner of performing the Increased Work, of the cost thereof, and, if unreasonable, of the reasonable cost of providing, performing, and completing the Increased Work if a reasonable method or manner or cost had been chosen, shall be conclusive and binding on Contractor.

4. For purposes of Paragraphs 2.3A1 and 2.3A2, in determining whether the Increased Work or any part thereof can be classified under one or more of the Unit Price Items set forth in the Schedule of Prices, any increase in any component part of the Work included or subsumed within a Unit Price Item as defined in the Contract Drawings and Specifications shall be classified under such Unit

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Price Item and the fact that Contractor uses a different method of providing, performing, and completing Increased Work than Contractor originally contemplated shall not be a basis for not classifying Increased Work under one or more of the Unit Price Items set forth in the Schedule of Prices.

5. Except as set forth above, no claim for compensation in excess of the Contract Price shall be made or allowed on account of Increased Work.

B. Decreased Work. If any Change Order causes a decrease in the amount of the Work ("Decreased Work"), then Engineer shall determine, and include in such Change Order, (1) the amount of the equitable adjustment in the Contract Price to be credited to Owner based on the value of the Decreased Work determined in accordance with Subsection 5.1C of these General Conditions of Contract and (2) the allowance, if any, due Contractor for any actual loss incurred in connection with the purchase, delivery, and subsequent disposal of equipment, materials, or supplies that would have been used on the Work but for the Change Order and that could not be returned to their source for credit or used in any part of the Work as actually provided, performed and completed. In no event shall any Decreased Work entitle Contractor to make a claim for damages, anticipated profits, or any other compensation except the aforesaid allowance for actual loss incurred for such unused and unreturned equipment, materials, or supplies. Ownership of any such unused equipment, materials, or supplies paid for by Owner shall, at Owner's option, be conveyed to Owner.

C. Netting of Price Adjustments. When both Increased Work and Decreased Work result from a single Change Order, the allowance for overhead and profit pursuant to the reasonable cost method of Paragraph 2.3A3 above, if utilized, shall be figured on the basis of the net increase, if any, in the Work.

D. No Compensation for Delays. Contractor shall not claim or be entitled to any payment, compensation, damages, or adjustment of any kind, other than a possible extension of the Contract Time, if applicable, as provided for in Subsection 2.4C below, because of hindrances or delays, whether avoidable or unavoidable, from any cause in the commencement, provision, performance, or completion of the Work, including but not limited to:

1. Any act, error, omission or interference of Owner, Engineer, or any other Person, including, without limitation, late, changed, or erroneous Bidding Documents or Contract Documents, or changes affecting the Approved Schedule; changes in sequence, suspensions, accelerations, or de-accelerations of the Work; lack of access, rights-of-way, or easements for the Work; lack of approvals, decisions, or payments; issuance of Change Orders; or occupancy, use, or placement into service of the Work prior to Final Acceptance;

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2. Differing or unanticipated conditions at, or in the vicinity of, the Work Site;
3. The simultaneous presence and operations of other contractors;
4. Strikes, lockouts, or labor or material shortages;
5. Fires or other casualties;
6. Delays in transportation; and
7. Acts of God or natural phenomena, whether or not such phenomena are unusual or unusually severe considering the time of year and the particular locality involved.

Contractor expressly agrees that it will accept in full satisfaction for all such delays and hindrances a possible extension of the Contract Time, if applicable, as provided in Subsection 2.4C below and that it will make no claim for, nor be entitled to, equitable adjustment of the Contract Price; or any compensatory, acceleration, or disruption damages; or any other damages or costs of any kind or nature for any such delays or hindrances, including, but not limited to, damages or costs resulting from, arising out of, or in any way related to increases in time-related costs; increases in costs of labor, equipment, materials, or supplies; costs of additional personnel; costs of additional equipment; costs of additional premium time for personnel or equipment; increase in costs for Bond or insurance premiums; lower labor productivity; lost profits or alternative income; effects on other contracts; and costs of demobilization and remobilization.

2.4 Extensions of Contract Time

A. Anticipated Delays. Difficulties or obstructions that may arise out of, or be encountered as a result of, adverse weather conditions, equipment breakdowns, subsurface, underground or other concealed conditions or obstructions, buried structures, utility locations or conditions, adverse soil conditions, and changed site conditions due to work by other contractors are inherent in the nature of the Work of this Contract. Allowances and contingencies for dealing with such difficulties or obstructions are to be allowed for in Contractor's schedule and shall not be treated as unavoidable delays pursuant to Subsection 2.4C below. Changes in the sequence in which the Work is provided, performed, and completed resulting from delays or hindrances that affect only part of the Work but not the provision, performance, or completion of other parts of the Work, nor completion of the whole of the Work, are also inherent in the nature of the Work of this Contract. Allowances and contingencies for such changes are to be allowed for in Contractor's schedule and shall not be treated as unavoidable delays pursuant to Subsection 2.4C below.

B. Extensions for Increased Work. Subject to Subsection 2.4A above, when a Change Order causes an increase in the time required to complete the Work, an extension of the Contract Time shall be granted as part of such Change Order for a period of time equal to the additional time required to complete the Work.

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C. Extensions for Unavoidable Delays. Subject to Subsection 2.4A above, for any delay or hindrance in completing the Work that may result from causes that could not be avoided or controlled by Contractor, as determined by Owner, Contractor shall upon timely written application, immediately upon the occurrence of any event giving rise to such unavoidable delay and, in any event, no later than two business days thereafter, be entitled to issuance of a Change Order providing for an extension of the Contract Time for a period of time equal to the delay resulting from such unavoidable cause.

D. Extensions for Suspensions. If Owner orders Contractor to suspend the whole of the Work or to suspend a part of the Work that increases the time required to complete the Work, Owner shall, unless such suspension was due to Contractor's failure to perform in accordance with the requirements of this Contract, extend the Contract Time for a period of time equal to the delay caused by such suspension.

2.5 Constructive Change Orders

Sections 2.2 through 2.4 set forth the sole means by which an equitable adjustment in the Contract Price or Contract Time shall be allowed. No claims for equitable adjustments in the Contract Price or Contract Time shall be made or allowed unless embodied in a Change Order initiated by Owner pursuant to Section 2.1 or requested by Contractor, and approved by Owner, pursuant to this Section 2.5. If Owner fails to issue a Change Order including, or fully including, an equitable adjustment in the Contract Price or Contract Time to which Contractor claims it is entitled under Sections 2.2 through 2.4, Contractor may assert a claim that it is entitled to a constructive change order for, but only for, the equitable adjustment due under said Sections pursuant to the procedures of this Section 2.5. If Contractor believes that any requirement, direction, instruction, interpretation, determination, or decision of Owner or Engineer entitles Contractor to an equitable adjustment in the Contract Price or Contract Time under Sections 2.2 through 2.4 that has not been included, or fully included, in a Change Order, then Contractor shall submit to Engineer, with a copy to Owner, a written request for the issuance of, or revision of, a Change Order, including the equitable adjustment, or the additional equitable adjustment, in the Contract Price or Contract Time that Contractor claims has not been included, or fully included, in a Change Order. Such request shall, whenever feasible, be submitted before Contractor proceeds with any Work for which Contractor claims an equitable adjustment is due and shall, in all events, be submitted no later than two business days after receipt of notice of such requirement, direction, instruction, interpretation, determination, or decision. Upon receipt by Engineer of any such request, the parties shall proceed as provided in Article VI of these General Conditions of Contract pertaining to disputes and remedies. Notwithstanding the submission of any such request, Contractor shall proceed without delay to perform the Work as required, directed, instructed, interpreted, or decided by Owner or Engineer and shall, pending a final resolution of the issue, keep a daily record of such Work in the manner provided in Paragraph 2.3A3 above. Unless Contractor submits such a request within two business days after receipt of notice of such requirement, direction, instruction, interpretation, determination, or decision, Contractor shall be conclusively deemed (1) to have agreed that such requirement, direction, instruction, interpretation, determination, or decision does not entitle Contractor to an equitable adjustment in the Contract Price or Contract Time and (2) to have

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waived all claims based on such requirement, direction, instruction, interpretation, determination, or decision.

2.6 No Waiver and Release

Except to the extent embodied in a Change Order, neither the provisions of this Article II nor any communication between or among Owner, Engineer, and Contractor shall operate to relieve Contractor of its duty to perform the Work in full compliance with, and as required by or pursuant to, this Contract, within the Contract Time, and for the Contract Price, or to release or discharge Contractor from any duty arising under this Contract.

2.7 No Other Compensation

No payments, compensation, damages, reimbursements, or monetary consideration of any kind shall be paid or owing to Contractor in connection with, or arising out of, this Contract other than, and subject to deduction as provided for in this Contract, the lump sum amount or amounts stated in the Schedule of Prices, for Work to be paid on a lump basis, the Unit Price stated in the Schedule of Prices for each acceptable unit of each Unit Price Item installed and complete in place, measured on the basis defined in the Contract Drawings and Specifications or, in the absence of such definition, on the basis determined by Engineer, for Work to be paid on a Unit Price basis, the equitable adjustment in the Contract Price included in any Change Order, and any bonuses provided for, and only to the extent provided in, the Special Conditions of Contract. Contractor shall not claim or be entitled to any other payment, compensation, damage, reimbursement, or monetary consideration of any kind for the provision, performance, or completion of the Work.

2.8 Specific References Exemplary

No specific provision of this Contract to the effect that there shall be no change or adjustment in the Contract Price or Contract Time shall be construed to be an exclusive listing of the circumstances in which there shall be no adjustment in Contract Price or Contract Time, but, rather, all such provisions shall be construed to be exemplary only.

ARTICLE III CONTRACTOR'S RESPONSIBILITY FOR DEFECTIVE WORK

3.1 Inspection; Testing; Correction of Defects

A. **Inspection.** Until Final Payment, all parts of the Work shall be subject to inspection and testing by Owner, by Engineer, by any public authority having jurisdiction, and by any other Person designated by Owner. Contractor shall furnish, at its own expense, all reasonable access, assistance, and safe and proper facilities required by such Persons for such inspection and testing, both at the Work Site and at any Subcontractor's or Supplier's plant or other source of supply, with full permission to take samples of any materials or supplies that may or might be used in the Work, at Contractor's own expense. Contractor shall notify Owner and Engineer of the readiness of any part of the Work for any inspection or test that may be required by or pursuant to this Contract or applicable Laws. Owner and Engineer shall perform all of

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their inspections and tests so as not to delay the Work unduly, but Contractor shall schedule the Work in light of the need for time to perform such inspections and tests. No part of the Work as to which any specific inspection or test is required shall be covered or closed until such inspection or test has been completed. If such Work is covered or closed, then it shall be uncovered or opened and, after the inspection or test, recovered or reclosed, by Contractor, all at Contractor's expense. The quality, technical accuracy, completeness, and coordination of all reports, documents, data, information, and other items and services under this Contract that are prepared, submitted, or delivered by Contractor or its subcontractors to Owner or Engineer are included as part of the Work that is subject to this Article III.

B. Additional Inspections. If any Work for which an inspection or test is not required by this Contract has been covered or closed so as to prevent inspection or testing, Owner shall nevertheless have the right to order such Work to be inspected or tested and, if so ordered, such Work shall be uncovered or opened by Contractor. If the Work thus uncovered or opened is found to be free from defects, damage, and flaws and to be suitable for its intended purpose and to be otherwise in conformity with this Contract, then Owner shall pay the cost of uncovering, opening, re-inspecting, re-testing, covering, or closing, as the case may be. If the Work uncovered or opened is not free from defects, damage, and flaws or is not suitable for its intended purpose or is otherwise not in conformity with this Contract, then Contractor shall pay all such costs.

C. Re-Inspections. Re-inspection and re-testing of any Work may be ordered by Owner at any time, and, if so ordered, any covered or closed Work shall be uncovered or opened by Contractor. If the Work thus uncovered or opened is found to be free from defects, damage, and flaws and to be suitable for its intended purpose and to be otherwise in conformity with this Contract, then Owner shall pay the cost of uncovering, opening, re-inspecting, re-testing, covering, or closing, as the case may be. If the Work uncovered or opened is not free from defects, damage, and flaws or is not suitable for its intended purpose or is otherwise not in conformity with this Contract, then Contractor shall pay all such costs.

D. Correction. Until Final Payment, Contractor shall, promptly and without charge, repair, correct, or replace all or any part of the Work that is defective, damaged, flawed, or unsuitable or that in any way fails to conform strictly to the requirements of this Contract and shall pay to Owner all resulting costs, expenses, losses, or damages suffered by Owner as a result of any such defect, damage, flaw, unsuitability or nonconformity.

E. No Waiver. No inspection or test, failure to inspect or test, or waiver of inspection or testing by Owner or Engineer shall relieve Contractor of its duty to complete the Work in full compliance with, and as required by or pursuant to, this Contract. Failure or neglect on the part of Engineer to condemn Work that is defective, damaged, flawed, unsuitable, or nonconforming shall not be construed as acceptance of such Work nor as a waiver of compliance with the requirements of this Contract.

3.2 Warranty of Work

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A. Scope of Warranty. Contractor warrants that the Work and all of its components shall be free from defects and flaws in design, workmanship, and materials; shall strictly conform to the requirements of this Contract; shall be fit, sufficient, and suitable for the purposes expressed in, or reasonably inferred from, this Contract, and shall be in strict compliance with all applicable codes, ordinances, and regulations of the Owner and all other applicable Laws. Contractor further warrants that the strength of all parts of all equipment, materials, and supplies incorporated into the Work shall be adequate and as specified and sufficient to meet the performance requirements of this Contract. The warranties herein expressed shall not be the sole and exclusive warranties but, rather, shall be in addition to any other warranties expressed in this Contract, or expressed or implied by Law, which are hereby reserved unto Owner.

B. Repairs; Extension of Warranty. Contractor shall, promptly and without charge, correct any failure to fulfill the above warranties that may be discovered or develop at any time within one year after Final Payment or such longer period as may be prescribed in the Contract Drawings and Specifications, in the Special Conditions of Contract, or by Law. The above warranty shall be extended automatically to cover all repaired and replacement parts and labor provided or performed under such warranty and Contractor's obligation to correct Work shall be extended for a period of one year from the date of such repair or replacement, or such longer period as may be prescribed in the Contract Drawings and Specifications, in the Special Conditions of Contract, or by Law. Nothing contained in this Subsection 3.2B shall be construed to establish a period of limitation with respect to other obligations that Contractor has under this Contract. The time period established in this Subsection 3.2B relates only to the specific obligation of Contractor to correct Work and has no relationship to the time within which the obligations to comply with this Contract may be sought to be enforced, nor to the time within which proceedings may be commenced to establish Contractor's liability with respect to Contractor's obligations other than specifically to correct the Work.

3.3 Contractor Duty to Correct Without Delay

In the event of any claim by Owner pursuant to Section 3.1 or Section 3.2 above that the Work is defective, damaged, flawed, unsuitable, nonconforming, or that the Work fails to fulfill the above warranty, Contractor shall be given a reasonable opportunity to confirm the validity of such claim, but Contractor shall not, unless authorized in writing by Owner, delay correction of the claimed defect, damage, flaw, unsuitability, nonconformity, or failure while making such determination. In the event any such claim is shown to be invalid following such correction by Contractor, Owner shall pay the cost of such correction.

3.4 Owner's Right to Correct

If, within two business days after Owner gives Contractor notice of any defect, damage, flaw, unsuitability, nonconformity, or failure to meet warranty subject to correction by Contractor pursuant to Section 3.1 or Section 3.2 above, Contractor fails, refuses, or neglects to make, or to undertake with due diligence to make, the necessary corrections, then Owner shall be entitled to make, either with its own forces or with contract forces, the corrections and to recover

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from Contractor all resulting costs, expenses, losses, or damages, including attorneys' fees and administrative expenses.

If in the judgment of Owner, the delay required to give Contractor the aforesaid two business days notice would cause serious damage or loss that could be avoided by immediate action, Owner shall have the right, without giving prior notice to Contractor, to perform, or to have performed, all work necessary to make the corrections and to recover from Contractor the cost of such corrections. In such event, Contractor shall be notified as promptly as possible and shall assist, whenever possible, in making the necessary corrections.

3.5 Subcontractor and Supplier Warranties

Whenever the Special Conditions of Contract or the Specifications require a Subcontractor or Supplier to provide a guaranty or warranty, Contractor shall be solely responsible for obtaining said guaranty or warranty in form satisfactory to Owner and assigning said warranty or guaranty to Owner. Acceptance of any assigned warranties or guaranties by Owner shall be a precondition to Final Payment and shall not relieve Contractor of any of its guaranty or warranty obligations under this Contract.

Whenever the Special Conditions of Contract or the Specifications require a Subcontractor or Supplier to provide a guaranty or warranty, Contractor shall be solely responsible to obtain from the guarantying or warranting Person a written certification, in form satisfactory to Owner, that (1) all things required for the successful operation of the warranted item in accordance with the Specifications have been designed, manufactured and installed in accordance with all requirements of the guarantying or warranting Person; (2) all requirements and conditions necessary to validate the guaranty or warranty, whether specified in this Contract or not, have been complied with; and (3) all procedures necessary to maintain the guaranty or warranty in full force and effect during the applicable guaranty or warranty period, including but not limited to maintenance obligations and storage conditions, have been provided to Owner in writing and written acknowledgments of all such disclosed procedures have been provided by Owner to the warranting or guarantying Person. Acceptance of any such certification by Owner shall be a precondition to Final Payment and shall not relieve Contractor of any of its obligations under this Contract to provide additional or other certifications.

ARTICLE IV INSURANCE

4.1 Required Coverages

Contractor shall, prior to and at all times while providing, performing, or completing the Work, including, without limitation, at all times while repairing, correcting, or replacing all or any part of the Work that is defective, damaged, flawed, unsuitable, nonconforming, or that fails to meet warranty subject to correction by Contractor pursuant to Section 3.1 or Section 3.2 of these General Conditions of Contract, procure, maintain, and keep in force, at Contractor's expense, all insurance necessary to protect and save harmless Owner, the Work, the Work Site, and all property located at or about the Work Site, including but not

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limited to the insurance coverages specified in Section 4.3 below and in Section 4 of the Special Conditions of Contract (“Required Coverages”).

4.2 Insurance Companies and Policies

All Required Coverages shall be provided by insurance companies rated A minus or better in Best’s Insurance Guide and otherwise acceptable to, and approved by, Owner. Required Coverages may be in any combination of primary, excess, and umbrella policies. Any excess or umbrella policy must provide excess coverage over underlying insurance on a following-form basis such that when any loss covered by the primary policy exceeds the limits under the primary policy, the excess or umbrella policy becomes effective to cover such loss. No policy may have a deductible or self-insured retention of more than one percent of the policy limit. Contractor shall furnish to Owner two copies of a certificate of insurance and one copy of an insurance policy for each Required Coverage. Each such certificate and policy shall be in a form satisfactory to Owner and shall provide that no change, modification in, or cancellation of the insurance represented by it shall become effective until the expiration of 30 Days after written notice thereof shall have been given by the insurance company to Owner and any Additional Insured. The Contractor and a representative of Contractor’s insurer must execute the Certifications of Insurance Coverage.

4.3 Minimum Coverages

Unless otherwise provided in the Special Conditions of Contract, Contractor shall, prior to and at all times while, providing, performing, or completing the Work, procure, maintain, and keep in force, at Contractor’s expense, at least the following minimum insurance coverages:

1. Workers’ Compensation and Employer’s Liability with limits not less than:
 - (a) Workers’ Compensation: Statutory;
 - (b) Employer’s Liability:
 - \$1,000,000 injury-per occurrence
 - \$1,000,000 disease-per employee
 - \$1,000,000 disease-policy limit

Such insurance shall evidence that coverage applies to the State of Illinois and contain an “all States” endorsement, and provide a waiver of subrogation in favor of Owner.

2. Comprehensive Motor Vehicle Liability with a combined single limit of liability for bodily injury and property damage of not less than \$2,000,000 for vehicles owned, non-owned, or rented.

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All employees must be included as insureds.

3. Commercial General Liability with coverage written on an "occurrence" basis and with limits no less than:
 - (a) Each Occurrence: \$2,000,000
 - (b) General Aggregate: \$10,000,000

Coverages shall include:

- Premises Operations
- Products/Completed Operations (to be maintained for two years following Final Payment)
- Independent Contractors
- Personal Injury (with Employment Exclusion deleted)
- Broad Form Property Damage Endorsement
- Blanket Contractual Liability (must expressly cover the indemnity provisions contained in the Contract Agreement)
- Bodily injury and property damage

"X", "C", and "U" exclusions shall be deleted.

Blasting exclusions shall be deleted if Work involves blasting.

Railroad exclusions shall be deleted if Work Site is within 50 feet of any railroad track.

All employees shall be included as insureds.

4. Owner's and Contractor's Protective Liability Insurance. Contractor, at its sole cost and expense, shall purchase this insurance in the names of Owner and Engineer for the period between the Commencement Date and Final Payment, with a combined single limit of liability for bodily injury and property damage of \$5,000,000 per occurrence and in the aggregate.

The named insureds for this insurance shall be the Village of Grayslake and _____ (the "Named OCP Insureds"). The coverage afforded the Named OCP Insureds by this insurance shall be primary insurance for the Named OCP Insureds. If the Named OCP Insureds have other insurance which

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is applicable to the loss, such other insurance shall be on an excess or contingent basis. The amount of the insurance company's liability under this policy of insurance shall not be reduced by the existence of such other insurance. This policy of insurance shall be specifically endorsed to provide such primary coverage for Owner and Engineer. In addition to the submittal requirements of Section 4.2 above, Contractor shall furnish to Engineer one copy of a certificate of insurance for this Required Coverage.

4.4 Additional Coverages

The insurance coverages and limits required by Section 4.3 above shall be deemed to be minimum coverages and limits and shall not be construed in any way as a limitation on Contractor's duty to carry adequate insurance as required by Section 4.1 above or on Contractor's liability for losses and damages under this Contract. Contractor shall at all times carry such additional coverages and limits as may be necessary to fully comply with this Contract.

4.5 Subcontractor Insurance

Unless otherwise provided in the Special Conditions of Contract or unless otherwise approved by Owner in a Change Order, Contractor shall not allow any Subcontractor to commence or continue any part of the Work until and unless such Subcontractor provides and has in force Comprehensive General Liability insurance coverage equal to \$2,000,000 or the amount of its Subcontract, whichever is greater, and Workers' Compensation and Employer's Liability and Comprehensive Motor Vehicle Liability insurance coverages equal to those required of Contractor by this Article.

ARTICLE V PAYMENT

5.1 Progress Payments

A. General. Owner shall pay to Contractor in monthly installments, subject to any additions, deductions, or withholdings provided for in this Contract, 90 percent of the Value of the Work, determined in the manner set forth in Subsection 5.1C below, installed and complete up to the Day before the Pay Request, less the aggregate of all previous Progress Payments. The total amount of Progress Payments made prior to Final Acceptance by Owner shall not exceed 90 percent of the Contract Price, except as provided in Section 3 of the Special Conditions of Contract..

B. Pay Requests. Contractor shall, as a condition precedent to its right to receive each Progress Payment, submit to Engineer four originally executed copies of a request

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for payment in the form provided by Owner and accompanied by such supporting data and documentation as may be required by this Contract or by Owner or Engineer ("Pay Request"). The first Pay Request shall be submitted not sooner than 30 Days following the Commencement of the Work. Owner may, by written notice to Contractor, designate a specific Day of each month on or before which Pay Requests must be submitted.

Pay Requests shall include the following minimum data and documentation, all of which shall be on forms supplied by, or otherwise acceptable to, Owner:

- (i) Contractor's certification of the Value of the Work for which payment is then requested. If such certification is accepted by Engineer, it shall constitute the Value of the Work for the purpose of determining the amount of the current Progress Payment. If such certification is not accepted by Engineer, and if Engineer and Contractor are unable to agree as to the Value of the Work in question, such value shall, for the purpose of determining the amount of the current Progress Payment, be determined by Engineer in accordance with Subsection 5.1C below.
 - (ii) Contractor's certification that all prior Progress Payments have been properly applied to the payment or reimbursement of the costs with respect to which they were paid.
 - (iii) Contractor's Sworn Statement.
 - (iv) Contractor's partial or final waiver of lien.
 - (v) Contractor's certified payrolls, as required by Subsection 6.11H of the Contract Agreement;
 - (vi) Subcontractors' and Suppliers' Sworn Statements.
 - (vii) Subcontractors' and Suppliers' partial or final waivers of lien.
 - (viii) Subcontractors' and Suppliers' certified payrolls, as required by Subsection 6.11H of the Contract Agreement;
 - (ix) Such other receipts, releases, affidavits, certificates, and other evidence as may be necessary to establish, to Owner's satisfaction, Contractor's, and its Subcontractors' and Suppliers', entitlement to the Progress Payment being requested, prior payment for all labor, equipment, materials, supplies, and other things covered by the Pay Request; and the absence of any interest, whether in the nature of a Lien or otherwise, of any Person in the Work, the Work Site, or any other property belonging to, or being held by, Owner.
- C. Value of Work. The Value of the Work shall be determined as follows:

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1. Lump Sum Items. For all Work to be paid on a lump sum basis, Contractor shall, not later than 10 days after execution of the Contract Agreement and before submitting its first Pay Request, submit to Engineer a schedule showing the value of each component part of such Work, and the quantity of discrete units comprising such component part of the Work, in form and with substantiating data and documentation acceptable to Engineer ("Breakdown Schedule"). The sum of the items listed in the Breakdown Schedule shall equal the amount or amounts set forth in the Schedule of Prices for lump sum Work. Overhead and profit shall not be listed as separate items in the Breakdown Schedule. An unbalanced Breakdown Schedule providing for overpayment of Contractor on component parts of the Work to be performed first will not be accepted. The Breakdown Schedule shall be revised and resubmitted until acceptable to Engineer. No payment shall be made for any lump sum Work until Contractor has submitted, and Engineer has approved, an acceptable Breakdown Schedule.

Engineer may require that the approved Breakdown Schedule be revised based on developments occurring during the provision and performance of the Work. If Contractor fails to submit a revised Breakdown Schedule that is acceptable to Engineer, Owner shall have the right either to suspend Progress and Final Payments for lump sum Work or to make such Payments based on Engineer's determination of the value of the Work completed.

2. Unit Price Items. For all Work to be paid on a Unit Price basis, the value of such Work shall be determined by Engineer on the basis of the actual number of acceptable units of Unit Price Items installed and complete in place, multiplied by the applicable unit price set forth in the Schedule of Prices. The actual number of acceptable units installed and complete in place shall be measured on the basis defined in the Contract Drawings and Specifications or, in the absence of such definition, on the basis determined by Engineer. For lump sum Unit Prices, Contractor shall submit, as and when required pursuant to Paragraph 5.1C1 above, a Breakdown Schedule for such lump sum Unit Price Items.

The number of units of Unit Price Items stated in the Schedule of Prices are Engineer's estimate only and shall not be used in establishing the Progress and Final Payments due Contractor. The Contract Price shall be adjusted, by a Balancing Change Order, to reflect the actual number of acceptable units of Unit Price Items installed and complete in place upon Final Acceptance.

D. Date of Payment. Contractor shall be paid no later than 45 Days following Owner's approval of each Pay Request, and the amount of the Progress Payment requested, at a meeting of Owner's governing body. Owner shall have no obligation to approve any Pay Request that is not in full compliance with the requirements of this Contract.

5.2 Final Acceptance and Final Payment

A. Notice of Completion. When the Work has been completed and is ready in all respects for acceptance by Owner, Contractor shall notify Engineer, with a copy to Owner, and request a final inspection ("Notice of Completion"). Contractor's Notice of Completion shall be given sufficiently in advance of the Completion Date to allow for scheduling of the final inspection and for completion or correction before the Completion Date of any items identified

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by such inspection as being defective, damaged, flawed, unsuitable, nonconforming, incomplete, or otherwise not in full compliance with the requirements of this Contract ("Punch List Work"). Before giving its Notice of Completion, Contractor shall satisfy itself that the whole Work, and every part thereof, has been completed in full compliance with, and as required by or pursuant to, this Contract, that all defects, damage, flaws, and non-conformities have been corrected, and that the Work Site and adjacent areas are fully restored, clean, and in good order.

B. Punch List and Final Acceptance. The Work shall be finally accepted when, and only when, the whole and all parts thereof shall have been completed to the satisfaction of Owner in full compliance with, and as required by or pursuant to, this Contract and the Work Site and adjacent areas shall have been fully restored, cleaned, and placed in good order and in at least the same condition as immediately prior to commencement of the Work. Upon receipt of Contractor's Notice of Completion and at a time mutually agreeable to Owner, Engineer, and Contractor, Engineer shall make a review of the Work and shall either notify Contractor in writing of all Punch List Work, if any, to be completed or corrected ("Punch List") and of the time, not later than the Completion Date, by which Contractor shall complete or correct all Punch List Work or, if the Work is complete in full compliance with, and as required by or pursuant to, this Contract and the Work Site and adjacent areas are fully restored, clean, and in good order and in at least the same condition as immediately prior to commencement of the Work, prepare and deliver to Owner a written recommendation that the Work be finally accepted. Following Contractor's completion or correction of all Punch List Work, Engineer shall make another review of the Work and shall either prepare and deliver to Contractor another Punch List or, if the Work is complete in full compliance with, and as required by or pursuant to, this Contract and the Work Site and adjacent areas are fully restored, clean, and in good order and in at least the same condition as immediately prior to commencement of the Work, prepare and deliver to Owner a written recommendation that the Work be finally accepted.

The failure of Engineer to list any item on a Punch List shall not relieve Contractor of its obligation to provide, perform and complete the Work in full compliance with, and as required by or pursuant to, this Contract.

Whenever any permit, license, site agreement, or other approval or authorization that may be required in connection with the Work requires that the Work within public or private property not owned by Owner be installed, and the property restored, to a condition satisfactory to such approving or authorizing Person, Contractor shall be responsible for obtaining a written acknowledgment of the acceptance of such Person in form satisfactory to Owner. Acceptance of any such acknowledgment by Owner shall be a precondition to Owner's final acceptance of the Work and shall not relieve Contractor of any of its obligations under this Contract to provide additional or other acknowledgments.

In the event more than two inspections and Punch Lists are required before Engineer is prepared to deliver to Owner its written recommendation that the Work be finally accepted, Contractor shall be charged the total cost incurred by Engineer for all subsequent inspections and the preparation of such additional Punch Lists. If the amount due Contractor is not sufficient to cover such costs, Contractor shall reimburse Owner for such costs upon demand.

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Upon being satisfied that the Work and Work Site are ready for final acceptance pursuant to the requirements of this Contract, Owner shall issue its written notice of final acceptance of the Work to Contractor ("Final Acceptance").

C. Final Payment. As soon as practicable, but not more than 60 days after Final Acceptance, Contractor shall submit to Engineer four originally executed copies of a Pay Request requesting Final Payment ("Final Pay Request") for Engineer's review and recommendation of appropriate payment. Owner shall pay to Contractor the balance of the Contract Price, as determined by Engineer, after deducting therefrom all charges against Contractor as provided for in this Contract and all amounts, if any, to be retained under the Special Conditions of Contract ("Final Payment"). Final Payment shall be made not later than 15 Days after the expiration of the time within which claims for labor performed or equipment, materials, or supplies provided must be filed under any applicable Law pertaining to Liens, or the expiration of 30 Days after Owner approves the Final Pay Request, whichever is later; provided, however, that Owner shall not be obligated to make Final Payment unless and until Contractor has submitted and has caused its Subcontractors and Suppliers to submit all required data and documentation to Owner and all such data and documentation is complete and in proper form.

5.3 Title to Work and Liens

A. Title. Nothing in this Contract shall be construed as vesting in Contractor any right of property associated with this Contract.

B. Waivers of Lien. Contractor shall, from time to time, at Owner's request and in any event prior to Final Payment, furnish to Owner such receipts, releases, affidavits, certificates, and other evidence as may be necessary to establish, to the reasonable satisfaction of Owner, that no liens against the Work or the public funds held by Owner exist in favor of any Person whatsoever for or by reason of any equipment, material, supplies, or other item furnished, labor performed, or other thing done in connection with the Work or this Contract ("Lien") and that no right to file any Lien exists in favor of any Person whatsoever.

C. Removal of Liens. If at any time any notice of any Lien is filed for or by reason of any equipment, materials, supplies, or other item furnished, labor performed, or other thing done in connection with the Work or this Contract, then Contractor shall, promptly and without charge, discharge, remove, or otherwise dispose of such Lien, or, if permitted by Owner, furnish a Bond or other collateral satisfactory to Owner to indemnify Owner against such Lien. Until such discharge, removal or disposition, or furnishing of any permitted Bond or other collateral, Owner shall have the right to retain from any money payable under this Contract an amount that Owner, in its sole judgment, deems necessary to satisfy such Lien and to pay the costs and expenses, including attorneys' fees and administrative expenses, of any actions brought in connection therewith or by reason thereof.

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D. Protection of Owner Only. This Section 5.3 shall not operate to relieve Contractor's surety or sureties from any of their obligations under the Bonds, nor shall it be deemed to vest any right, interest or entitlement in any Subcontractor or Supplier. Owner's retention of funds pursuant to this Section shall be deemed solely for the protection of its own interests pending removal of such Liens by Contractor, and Owner shall have no obligation to apply such funds to such removal but may, nevertheless, do so where Owner's interests would thereby be served.

5.4 Deductions

A. Owner's Right to Withhold. Notwithstanding any other provision of this Contract and without prejudice to any of Owner's other rights or remedies, Owner shall have the right at any time or times, whether before or after approval of any Pay Request, to deduct and withhold from any Progress or Final Payment that may be or become due under this Contract such amount as may reasonably appear necessary to compensate Owner for any actual or prospective loss due to: (1) Work that is defective, damaged, flawed, unsuitable, nonconforming, or incomplete; (2) damage for which Contractor is liable under this Contract; (3) state or local sales, use, or excise taxes from which Owner is exempt; (4) Liens or claims of Lien regardless of merit; (5) claims of Subcontractors, Suppliers, or other Persons regardless of merit; (6) delay in the progress or completion of the Work; (7) inability of Contractor to complete the Work; (8) reasonable doubt that this Contract can be completed for the balance of the Contract Price then unpaid; (9) reasonable doubt that the balance of the Contract Price then unpaid is not adequate to cover actual or liquidated damages, if any; (10) failure of Contractor to properly complete or document any Pay Request; (11) any other failure of Contractor to perform any of its obligations under this Contract; (12) the cost to Owner, including attorneys' fees and administrative expenses, of correcting any of the aforesaid matters or exercising any one or more of Owner's remedies set forth in Section 6.6 of these General Conditions of Contract; or (13) engineering and inspection charges imposed pursuant to Subsection 1.3F, Section 1.13, or Subsection 5.2B of these General Conditions of Contract.

B. Use of Withheld Funds. Owner shall be entitled to retain any and all amounts withheld pursuant to Subsection 5.4A above until Contractor shall have either performed the obligation or obligations in question or furnished security for such performance satisfactory to Owner. Owner shall be entitled to apply any money withheld or any other money due Contractor under this Contract to reimburse itself for any and all costs, expenses, losses, damages, liabilities, suits, judgments, awards, attorneys' fees, and administrative expenses incurred, suffered, or sustained by Owner and chargeable to Contractor under this Contract.

5.5 Application of Payments

All Progress and Final Payments made by Owner to Contractor shall be applied to the payment or reimbursement of the costs with respect to which they were paid and not to any preexisting or unrelated debt between Contractor and Owner or between Contractor and any other Person.

5.6 Work Entire

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This Contract and the Work are entire and the Work as a whole is of the essence of this Contract. Notwithstanding any other provision of this Contract, each and every part of this Contract and of the Work are interdependent and common to one another and to Owner's obligation to pay all or any part of the Contract Price or any other consideration for the Work. Any and all Progress Payments made pursuant to this Article are provided merely for the convenience of Contractor and for no other purpose.

ARTICLE VI **DISPUTES AND REMEDIES**

6.1 Notice of Dispute

If Contractor disputes or objects to any requirement, direction, instruction, interpretation, determination, or decision of Owner or Engineer ("Disputed Decision"), Contractor may, immediately upon receiving any such Disputed Decision, notify Engineer in writing, with a copy to Owner, of its dispute or objection and of the amount of any equitable adjustment to the Contract Price or Contract Time to which Contractor claims it will be entitled as a result thereof ("Notice of Dispute"); provided, however, that Contractor shall, nevertheless proceed without delay to perform the Work as required, directed, instructed, interpreted, determined, or decided by Owner or Engineer without regard to such dispute or objection and such Notice of Dispute. Unless Contractor so notifies Engineer not later than two business days after receipt of such Disputed Decision, and, whenever feasible, prior to taking any action based upon such Disputed Decision, Contractor shall be conclusively deemed (1) to have agreed to and accepted such Disputed Decision as being fair, reasonable, and finally determinative of Contractor's obligations and rights under this Contract; (2) to have waived all grounds for dispute of or objection to such Disputed Decision; and (3) to have waived all claims for damages and equitable adjustments to the Contract Price and Contract Time based on such Disputed Decision.

6.2 Negotiation of Disputed Decisions

To avoid and settle without litigation any Disputed Decision, Owner and Contractor agree to engage in good faith negotiations as provided in this Section. Within three business days after Engineer's receipt of any Notice of Dispute, Engineer shall deliver to Contractor, with a copy to Owner, Engineer's preliminary written response either rejecting Contractor's claim, recommending to Owner approval of Contractor's claim, suggesting a compromise of Contractor's claim, or requesting additional information. Within three business days after Contractor's receipt of Engineer's preliminary written response, Contractor shall deliver to Engineer any additional information requested and notify Engineer whether Contractor is withdrawing, modifying or reaffirming its Notice of Dispute. Within three business days after Engineer's receipt of Contractor's reply, a conference among Owner, Engineer, and Contractor shall be held to resolve the dispute.

6.3 Owner's Final Decision

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Within three business days after the end of the conference required pursuant to Section 6.2 above, Engineer shall deliver to Contractor Owner's final written decision.

6.4 Contractor's Final Demand

If Contractor objects to Owner's final decision, Contractor shall, within three business days of the receipt thereof, give Owner written notice of such objection and shall, in such notice, state its final demand for settlement of the Disputed Decision. Unless Contractor so notifies Owner, Contractor shall be conclusively deemed (1) to have agreed to and accepted Owner's final decision and (2) to have waived all claims based on such final decision.

6.5 Contractor's Remedies

If Owner fails or refuses to satisfy a final demand made by Contractor pursuant to Section 6.4 above, or to otherwise resolve the Disputed Decision which is the subject of such demand to the satisfaction of Contractor, within 15 Days following receipt of such demand, Contractor shall be entitled to pursue such remedies, not inconsistent with the provisions of this Contract, as it may have in law or equity; provided, however, that Contractor agrees that its compliance with the dispute resolution procedures set out in Sections 6.1 through 6.4 above shall be a condition precedent to the initiation of any legal action concerning any matter subject to the provisions of said Sections; and provided further, however, that Contractor agrees that any claim for an equitable adjustment in the Contract Price or Contract Time or both, as the case may be, shall be conditioned upon Contractor having first complied with the procedures set out in Article II of these General Conditions of Contract and shall in no event exceed, and shall be further limited to, the amount of equitable adjustment in the Contract Price or Contract Time or both, as the case may be, included in Contractor's written request submitted in accordance with Article II of these General Conditions of Contract.

6.6 Owner's Remedies

A. Events of Default. Each of the following acts or omissions of Contractor shall be a default by Contractor of its obligations under this Contract ("Event of Default") and the occurrence or existence of any such Event of Default shall entitle Owner to invoke any or all of the remedies set forth in Subsection 6.6B below:

1. Contractor's initiation of, acquiescence in, or failure to have withdrawn any voluntary or involuntary petition in bankruptcy or for reorganization or for relief from its creditors or for any similar relief.
2. Contractor's initiation of, acquiescence in, or failure to have withdrawn any action or agreement for the appointment of a receiver for its business or any of its property.
3. Contractor being or becoming insolvent, making a general assignment for the benefit of creditors, or assigning its right to any or all payments due under this Contract or to any part of the Work.

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4. Contractor's failure or refusal to pay any of its debts as they come due, including failure to pay when due any money owed to any Subcontractor or Supplier.
5. Contractor's failure, refusal, or delay to prosecute the Work, or any part thereof, diligently at a rate that assures completion of the Work in full compliance with, and as required by or pursuant to, this Contract on or before the Completion Date.
6. Contractor's failure, refusal, or delay to provide, perform, and complete the Work, or any part thereof, free from defects, damage, and flaws; in strict conformity to the requirements of this Contract; and in a manner suitable for its intended purposes.
7. Contractor falsely making, or being found to have falsely made, any representation or warranty in any Bidding Document or in or pursuant to this Contract.
8. Contractor executing the Work in bad faith.
9. Contractor's failure, refusal, or delay to perform, to satisfy, or to be in full compliance with, any other requirement of this Contract.

B. Owner's Remedies for Contractor's Default. If it should appear at any time prior to Final Payment, whether as a result of any inspection or test or otherwise, that an Event of Default has occurred or is in existence, and if Contractor should fail to cure and eliminate such Event of Default within five business days after Contractor's receipt of Owner's written notice of such Event of Default, then Owner shall have the right, at its election and without prejudice to any other remedies provided by law or equity, to pursue any one or more of the following remedies:

1. Owner may require Contractor, within such reasonable time as may be fixed by Owner, to complete or correct all or any part of the Work that is defective, damaged, flawed, unsuitable, nonconforming, or incomplete; to remove from the Work Site any such Work; to accelerate all or any part of the Work; and to take any or all other action necessary to bring Contractor and the Work into strict compliance with this Contract.
2. Owner may perform or have performed all Work necessary for the accomplishment of the results stated in Paragraph 6.6B1 above and withhold or recover from Contractor all the cost and expense, including attorneys' fees and administrative costs, incurred by Owner in connection therewith.
3. Owner may accept the defective, damaged, flawed, unsuitable, nonconforming, incomplete, or dilatory Work or part thereof and make an equitable reduction in the Contract Price.

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4. Owner may terminate this Contract without liability for further payment of amounts due or to become due under this Contract.
5. Owner may, without terminating this Contract, terminate Contractor's rights under this Contract and, for the purpose of completing or correcting the Work, evict Contractor and take possession of all equipment, materials, supplies, tools, appliances, plans, specifications, schedules, manuals, drawings, and other papers relating to the Work, whether at the Work Site or elsewhere, and either complete or correct the Work with its own forces or contracted forces, all at Contractor's expense.
6. Upon any termination of this Contract or of Contractor's rights under this Contract, and at Owner's option exercised in writing, any or all Subcontracts of Contractor shall be deemed to be assigned to Owner without any further action being required, but Owner shall not thereby assume any obligation for payments due under such Subcontracts for any Work provided or performed prior to such assignment.
7. Owner may withhold from any Progress Payment or Final Payment, whether or not previously approved, or may recover from Contractor, any and all costs, including attorneys' fees and administrative expenses, incurred by Owner as the result of any Event of Default or as a result of actions taken by Owner in response to any Event of Default.
8. Owner may recover any damages suffered by Owner.

C. Owner's Special Remedy for Delay. If the Work is not completed by Contractor, in full compliance with, and as required by or pursuant to, this Contract, within the Contract Time as such time may be extended by Change Order, then Owner may invoke its remedies under Subsection 6.6B above or may, in the exercise of its sole and absolute discretion, permit Contractor to complete the Work but charge to Contractor, and deduct from any Progress or Final Payments, whether or not previously approved, a per diem charge for each Day completion of the Work is delayed beyond the Completion Date computed on the basis of a per Day charge as defined in Article 108.09 in the Illinois Department of Transportation "Standard Specifications for Road and Bridge Construction", latest edition, as liquidated damages and not as a penalty; it being understood that it will be difficult and impracticable to ascertain and determine the amount of damage that Owner will sustain by reason of such failure. Notwithstanding an election made pursuant to this Subsection, Owner may thereafter exercise any of its remedies under Subsection 6.6B above if Owner at any time is not, in Owner's opinion, adequately assured of prompt completion of the Work.

D. Remedies Cumulative. Each of the remedies listed in this Section shall be deemed to be cumulative of all other remedies listed in this Section or elsewhere in this Contract and to exist in addition to every other such remedy and in addition to all other remedies provided by law or equity.

GENERAL CONDITIONS

E. Provisions Exemplary. Any reference in this Contract to Owner's right to invoke the remedies of this Section are not intended to be, nor shall they be construed to be, an exclusive listing of the circumstances under which these remedies may be exercised, but rather they are intended to be only exemplary.

F. Termination or Suspension Deemed for Convenience. Any termination or suspension of Contractor's rights under this Section 6.6 for an alleged Event of Default that is ultimately held unjustified shall be deemed a termination or suspension for the convenience of Owner under Section 1.12 of these General Conditions of Contract.

ARTICLE VII **DEFINITIONS**

7.1 Defined Terms

A. Addendum. Any written or graphic instrument issued prior to the execution of this Contract, dated and signed by Owner or Engineer, that modifies, interprets, or corrects the Bidding Documents or this Contract.

B. Additional Insureds. The Persons identified in Section 4 of the Special Conditions of Contract.

C. Approved Rate. See Paragraph 2.3A3 of these General Conditions of Contract.

D. Approved Schedule. See Paragraph 1.1B2 of these General Conditions of Contract.

E. Balancing Change Order. See Paragraph 5.1C2 of these General Conditions of Contract.

F. Bid Package. The bound set of documents based upon which Owner solicited proposals for this Contract, consisting of the Bidding Documents and this Contract.

G. Bidder's Proposal. The proposal to enter into this Contract, completed and executed by Contractor, and based upon which this Contract was awarded by Owner to Contractor.

H. Bidding Documents. The documents incorporated by reference in Section 3 of the Invitation for Bidder's Proposals and included in the Bid Package.

I. Bond. Performance Bond, Labor and Material Payment Bond, and any other instrument of security, furnished, or required by this Contract to be furnished, by Contractor or its surety or sureties.

J. Breakdown Schedule. See Paragraph 5.1C1 of these General Conditions of Contract.

GENERAL CONDITIONS

K. Change Order. A written order to Contractor executed by Owner authorizing or directing a change in this Contract; an addition to, deletion from, or revision in the Work or the Work Site; or an equitable adjustment in the Contract Price or the Contract Time.

L. Commencement Date. The date set forth in Section 2.1 of the Contract Agreement.

M. Completion Date. The date set forth in Section 2.2 of the Contract Agreement.

N. Contract. The Contract Agreement and all Contract Documents.

O. Contract Agreement. The contract agreement executed by Owner and Contractor.

P. Contract Documents. The documents listed in Section 1.2 of the Contract Agreement.

Q. Contract Drawings. All (i) drawings furnished with the Invitation for Bidder's Proposals, (ii) supplementary drawings furnished to clarify and to define in greater detail the intent of the drawings and specifications furnished with the Invitation for Bidder's Proposals, (iii) drawings submitted by Contractor to Engineer pursuant to this Contract and reviewed and stamped by Engineer with no exception noted, and (iv) drawings submitted to Contractor by Engineer during the progress of the Work as provided for in this Contract.

R. Contract Price. The lump sum amount or amounts, if any, stated in the Schedule of Prices and, for each acceptable unit of each Unit Price Item, if any, installed and complete in place, measured on the basis provided for in the Contract Drawings and Specifications, the Unit Price for such Unit Price Item stated in the Schedule of Prices, subject to any additions or deductions provided for in this Contract.

S. Contract Time. The period of time allowed, including the Commencement Date and Completion Date, pursuant to Article II of the Contract Agreement for Contractor to provide, perform, and complete the Work, as such period of time may be modified by Change Order.

T. Contractor. See Subparagraph 1.3A2(a) of the Contract Agreement.

U. Day. Except where otherwise expressly defined, a calendar day of 24 hours, measured from midnight to the next midnight.

V. Decreased Work. See Subsection 2.3B of these General Conditions of Contract.

W. Disputed Decision. See Section 6.1 of these General Conditions of Contract.

GENERAL CONDITIONS

- X. Engineer. See Subparagraph 1.3A2(b) of the Contract Agreement.
- Y. Event of Default. See Section 6.6 of these General Conditions of Contract.
- Z. Final Acceptance. See Subsection 5.2B of these General Conditions of Contract.
- AA. Final Pay Request. See Subsection 5.2C of these General Conditions of Contract.
- BB. Final Payment. See Subsection 5.2C of these General Conditions of Contract.
- CC. General Instructions to Bidders. The instructions to bidders included in the Bid Package.
- DD. Increased Work. See Subsection 2.3A of these General Conditions of Contract.
- EE. Invitation for Bidder's Proposal. The invitation for bidder's proposals included in the Bid Package and by which Owner invited proposals to enter into this Contract.
- FF. Laws. All laws, statutes, ordinances, regulations, orders, decrees and other legal requirements, whether federal, state or local existing on or after the date of execution of this Contract.
- GG. Lien. See Subsection 5.3B of these General Conditions of Contract.
- HH. Notice of Completion. See Subsection 5.2A of these General Conditions of Contract.
- II. Notice of Dispute. See Section 6.1 of these General Conditions of Contract.
- JJ. Overtime Work. See Section 1.13 of these General Conditions of Contract.
- KK. Owner. See Subparagraph 1.3A2(c) of the Contract Agreement.
- LL. Pay Request. See Subsection 5.1B of these General Conditions of Contract.
- MM. Person. Any corporation, partnership, individual, joint venture, trust, estate, association, business, enterprise, proprietorship or other legal entity of any kind, either public or private, and any legal successor, agent, representative or authorized assign of the above.

GENERAL CONDITIONS

NN. Price Proposal. The total compensation proposed to be accepted by Contractor for the Work in the Bidder's Proposal and from which the Contract Price is derived.

OO. Progress Payment. The installment payments to be made by Owner to Contractor in accordance with, and subject to the terms and conditions set forth in, Article V of these General Conditions of Contract.

PP. Punch List. See Subsection 5.2B of these General Conditions of Contract.

QQ. Punch List Work. See Subsection 5.2A of these General Conditions of Contract.

RR. Required Coverages. See Section 4.1 of these General Conditions of Contract.

SS. Required Submittals. See Subsection 1.3A of these General Conditions of Contract.

TT. Specifications. All (i) specifications furnished with the Invitation for Bidder's Proposals, (ii) supplementary specifications furnished to clarify and to define in greater detail the intent of the drawings and specifications furnished with the Invitation for Bidder's Proposals, (iii) specifications submitted pursuant to this Contract by Contractor to Engineer and reviewed and stamped by Engineer with no exception noted, and (iv) specifications submitted to Contractor during the progress of the Work as provided for in this Contract. Unless otherwise noted, the term "Specifications" as used in this Contract shall not refer to any other standard specifications.

UU. Subcontract. Any written or oral contract between Contractor and a Subcontractor or Supplier.

VV. Subcontractor. Any Person, other than Contractor, that provides, performs or completes any part of the Work at the Work Site, and the duly authorized officers, employees, agents, and representatives of any such Person.

WW. Supplier. Any Person, other than Contractor, that supplies equipment, materials or supplies for the Work, including that fabricated to a special design, but that does not provide or perform labor at the Work Site, and the duly authorized officers, employees, agents, and representatives of any such Person.

XX. Unit Price. The price set forth in the Schedule to be paid for each acceptable unit of each Unit Price Item, if any, installed and complete in place, measured on the basis provided for in the Contract Drawings and Specifications.

YY. Unit Price Items. The items set forth in the Schedule of Prices, if any, to be paid for on a Unit Price basis.

GENERAL CONDITIONS

ZZ. Value of the Work. The value of the Work, determined in accordance with Subsection 5.1C of these General Conditions of Contract, for purposes of determining the then current amount of any Progress Payment to be made by Owner under this Contract.

AAA. Work. See Subparagraph 1.3A2(d) of the Contract Agreement.

BBB. Work Site. See Subparagraph 1.3A2(e) of the Contract Agreement.

7.2 Word Usage

A. Tense and Form. Words used or defined in one tense or form shall include other tenses and derivative forms.

B. Number. Words in the singular number shall include the plural number, and words in the plural number shall include the singular number.

C. Shall and May. The word "shall" is mandatory. The word "may" is permissive.

D. Subjective Standards. Whenever in this Contract the terms "as ordered," "as directed," "as required," "as allowed," "as approved," or terms of like effect or import, or the adjectives "reasonable," "suitable," "acceptable," "proper," or "satisfactory," or adjectives of like effect or import, are used to describe a requirement, direction, review, or judgment of Owner or Engineer as to the Work, it is intended that such requirement, direction, review, or judgment shall be solely to evaluate the Work for compliance with this Contract, shall not relieve Contractor of the entire responsibility for the performance of the Work in full compliance with the requirements of this Contract, and shall not be regarded as any assumption of risk or liability by Owner or Engineer.

E. Headings. In case of any difference of meaning or implication between any provision of this Contract and any heading, the Contract provision shall control and no heading shall be construed to limit the scope or intent of any provision of this Contract.

VILLAGE OF GRAYSLAKE

CONTRACT FOR THE

PRE - BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY

SPECIAL CONDITIONS OF CONTRACT

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VILLAGE OF GRAYSLAKE

CONTRACT FOR THE

PRE - BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY

SPECIAL CONDITIONS OF CONTRACT

1. **Scheduling**

2. **Special Construction Requirements**

3. **Special Technical Requirements**

4. **Special Financial Assurances**

A. **Additional Insureds/Indemnities.** As provided in Subsection 4.2B and Section 4.3 of the Contract Agreement, the following Persons, including the elected and appointed officers, agents, employees, and officials of said Persons (the "Additional Insureds") shall be named as additional insureds on the Commercial General Liability insurance required pursuant to this Contract, and the hold harmless and indemnification protection specified in Section 4.3 of the Contract Agreement shall be extended to such Additional Insureds as third-party beneficiaries thereof:

VILLAGE OF GRAYSLAKE

CONTRACT FOR THE

PRE - BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY

LIST OF CONTRACT DRAWINGS

Figure 1

Site Location

Figure 2

Building Locations

CONTRACT DRAWINGS

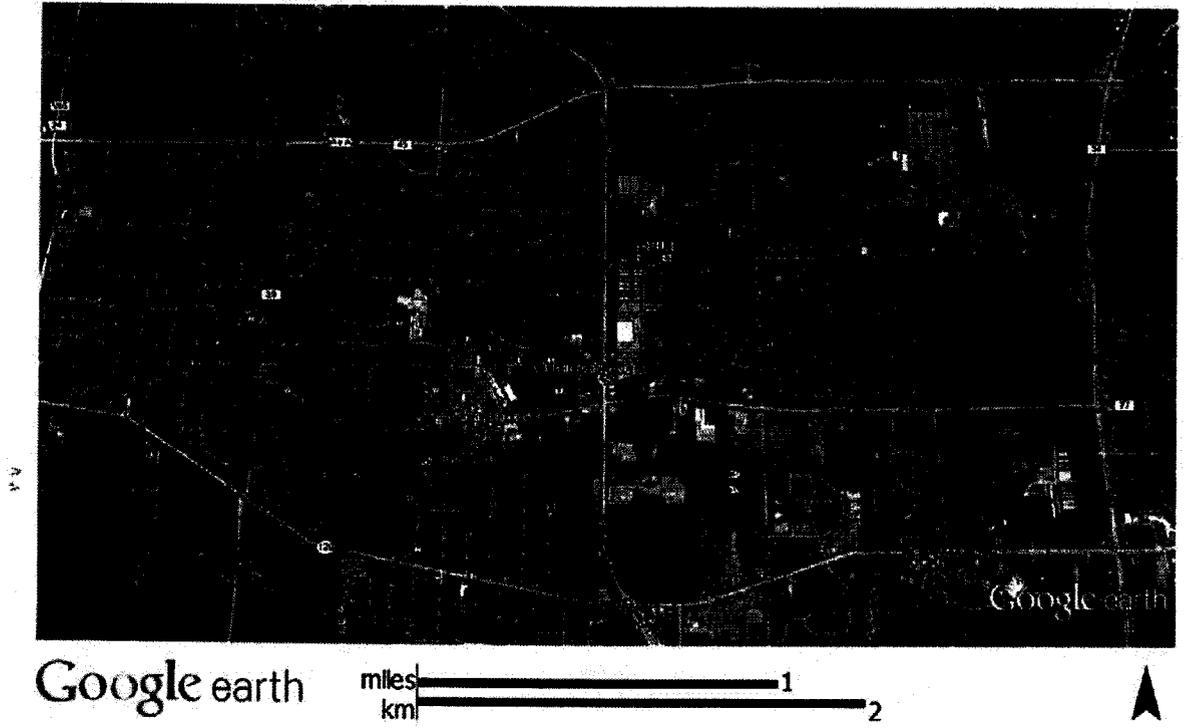


Figure 1
Site Location Map

CONTRACT DRAWINGS

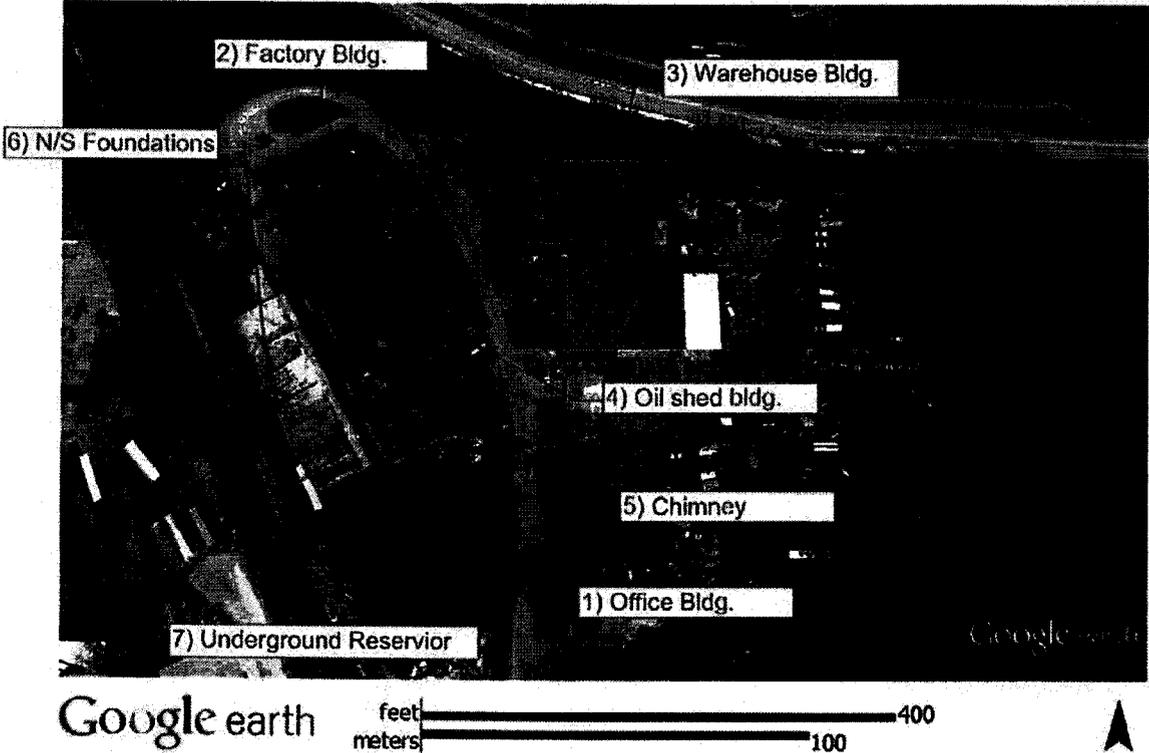


Figure 2
Building Locations

VILLAGE OF GRAYSLAKE
PRE-BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY
SPECIFICATIONS

SECTION 02 82 13

ASBESTOS ABATEMENT FOR DEMOLITION PROJECTS
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Lead-based Paint, Restricted Universal and Fly-dumping Waste Removal

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PART 1 - GENERAL

1.1 SUMMARY OF THE WORK

1.1.1 EXTENT OF WORK

- A. This work will be asbestos abatement prior to the total demolition of the Factory Building, Warehouse Building and Office Building. RACM discovered during total demolition is also within the scope of this specification. The extent of the abatement is for informational purposes only and is based on the best information available at the time of the specification preparation. The Abatement Contractor shall satisfy themselves as to the extent of the work. Nothing in this section may be interpreted as limiting the extent of work otherwise required by this contract and related documents.
- B. Removal, clean-up and disposal of regulated asbestos containing materials (RACM) and asbestos contaminated elements shall be conducted in approved regulated areas in all areas prior to the beginning of demolition. Any RACM discovered during demolition activity shall be cause for stopping the work. The Demolition Contractor's personnel shall attend an on-site training session related to the types of asbestos at the site and shall not disturb the ACM if found during their work.
No abatement work shall begin in any area unless the Abatement Contractor/Competent Person agreed that all asbestos work requirements as stipulated in the specification have been met. Attachment #4 must be filled out for each abatement area.

1.1.2 TASKS

The work tasks are summarized briefly as follows:

- A. Asbestos abatement of asbestos that is friable and identified by the Pre-Demolition Assessment report prior to demolition. The abatement is not limited to the areas indicated in the Report.
- B. Asbestos abatement and clean-up of the asbestos containing debris as indicated in the scope of work. Pre-abatement activities including pre-abatement meeting(s), inspection(s), notifications, permits, submittal approvals, work-site preparation/isolation, accident prevention, emergency procedures arrangements, and standard operating procedures for asbestos abatement work.

1.2 STOP ABATEMENT ORDER

- A. If the Contracting Officer; their field representative; (the facility Safety Officer/Manager or their designee presents a verbal **Stop Asbestos Removal Order**, the Contractor/Personnel shall immediately stop all asbestos removal and maintain HEPA filtered negative pressure air flow in the containment and adequately wet any exposed ACM. If a verbal Stop Asbestos Removal Order is issued, the VA shall follow-up with a written order to the Contractor as soon as practicable. The Contractor shall not resume any asbestos removal activity until authorized to do so in writing by the VA Contracting Officer. A stop asbestos removal order may be issued at any time the Engineer

determines abatement conditions/activities are not within specification, regulatory requirements or that an imminent hazard exists to human health or the environment. Work stoppage will continue until conditions have been corrected to the satisfaction of the Engineer. Standby time and costs for corrective actions will be borne by the Contractor, including the VPIH/CIH time. The occurrence of any of the following events shall be reported immediately by the Contractor's competent person or field representative using the most expeditious means (e.g., verbal or telephonic), followed up with written notification to the Contracting Officer as soon as it is practical. The Contractor shall immediately stop asbestos removal/disturbance activities and initiate fiber reduction activities:

- A. Airborne PCM analysis results equal to or greater than 0.01 f/cc outside a regulated area or >0.05 f/cc inside a regulated area;
- B. Breach or break in regulated area containment barrier(s);
- C. Less than -0.02" WCG pressure in the regulated area;
- D. Serious injury/death at the site;
- E. Fire/safety emergency at the site;
- F. Respiratory protection system failure;
- G. Power failure or loss of wetting agent; or
- H. Any visible emissions observed outside the regulated area.

1.3 DEFINITIONS

1.3.1 GENERAL

Definitions and explanations here are neither complete nor exclusive of all terms used in the contract documents, but are general for the work to the extent they are not stated more explicitly in another element of the contract documents. Drawings must be recognized as diagrammatic in nature and not completely descriptive of the requirements indicated therein.

1.3.2 GLOSSARY:

Abatement - Procedures to control fiber release from asbestos-containing materials. Includes removal, encapsulation, enclosure, demolition and renovation activities related to asbestos containing materials (ACM).

Aerosol - Solid or liquid particulate suspended in air.

Adequately wet - Sufficiently mixed or penetrated with liquid to prevent the release of particulates. If visible emissions are observed coming from the ACM, then that material has not been adequately wetted.

Aggressive method - Removal or disturbance of building material by sanding, abrading, grinding, or other method that breaks, crumbles, or disintegrates intact ACM.

Aggressive sampling - EPA AHERA defined clearance sampling method using air moving equipment such as fans and leaf blowers to aggressively disturb and maintain in the air residual fibers after abatement.

AHERA - Asbestos Hazard Emergency Response Act. Asbestos regulations for schools issued in 1987.

Aircell - Pipe or duct insulation made of corrugated cardboard which contains asbestos.

Air monitoring - The process of measuring the fiber content of a known volume of air collected over a specified period of time. The NIOSH 7400 Method, Issue 2 is used to

determine the fiber levels in air. For personal samples and clearance air testing using Phase Contrast Microscopy (PCM) analysis. NIOSH Method 7402 can be used when it is necessary to confirm fibers counted by PCM as being asbestos. The AHERA TEM analysis may be used for background, area samples and clearance samples when required by this specification, or at the discretion of the VPIH/CIH as appropriate.

Air sample filter - The filter used to collect fibers which are then counted. The filter is made of mixed cellulose ester membrane for PCM (Phase Contrast Microscopy) and polycarbonate for TEM (Transmission Electron Microscopy)

Amended water - Water to which a surfactant (wetting agent) has been added to increase the penetrating ability of the liquid.

Asbestos - Includes chrysotile, amosite, crocidolite, tremolite asbestos, anthophyllite asbestos, actinolite asbestos, and any of these minerals that have been chemically treated or altered. Asbestos also includes PACM, as defined below.

Asbestos Hazard Abatement Plan (AHAP) - Asbestos work procedures required to be submitted by the contractor before work begins.

Asbestos-containing material (ACM) - Any material containing more than one percent of asbestos.

Asbestos contaminated elements (ACE) - Building elements such as ceilings, walls, lights, or ductwork that are contaminated with asbestos.

Asbestos-contaminated soil (ACS) - Soil found in the work area or in adjacent areas such as crawlspaces or pipe tunnels which is contaminated with asbestos-containing material debris and cannot be easily separated from the material.

Asbestos-containing waste (ACW) material - Asbestos-containing material or asbestos contaminated objects requiring disposal.

Asbestos Project Monitor - Some states require that any person conducting asbestos abatement clearance inspections and clearance air sampling be licensed as an asbestos project monitor.

Asbestos waste decontamination facility - A system consisting of drum/bag washing facilities and a temporary storage area for cleaned containers of asbestos waste. Used as the exit for waste and equipment leaving the regulated area. In an emergency, it may be used to evacuate personnel.

Authorized person - Any person authorized by the VA, the Contractor, or government agency and required by work duties to be present in regulated areas.

Authorized visitor - Any person approved by the VA; the contractor; or any government agency representative having jurisdiction over the regulated area (e.g., OSHA, Federal and State EPA).

Barrier - Any surface that isolates the regulated area and inhibits fiber migration from the regulated area.

Containment Barrier - An airtight barrier consisting of walls, floors, and/or ceilings of sealed plastic sheeting which surrounds and seals the outer perimeter of the regulated area.

Critical Barrier - The barrier responsible for isolating the regulated area from adjacent spaces, typically constructed of plastic sheeting secured in place at openings such as doors, windows, or any other opening into the regulated area.

Primary Barrier - Plastic barriers placed over critical barriers and exposed directly to abatement work.

Secondary Barrier - Any additional plastic barriers used to isolate and provide protection from debris during abatement work.

Breathing zone - The hemisphere forward of the shoulders with a radius of about 150 - 225 mm (6 - 9 inches) from the worker's nose.

Bridging encapsulant - An encapsulant that forms a layer on the surface of the ACM.

Building/facility owner - The legal entity, including a lessee, which exercises control over management and recordkeeping functions relating to a building and/or facility in which asbestos activities take place.

Bulk testing - The collection and analysis of suspect asbestos containing materials.

Certified Industrial Hygienist (CIH) - A person certified in the comprehensive practice of industrial hygiene by the American Board of Industrial Hygiene.

Class I asbestos work - Activities involving the removal of Thermal System Insulation (TSI) and surfacing ACM and Presumed Asbestos Containing Material (PACM).

Class II asbestos work - Activities involving the removal of ACM which is not thermal system insulation or surfacing material. This includes, but is not limited to, the removal of asbestos-containing wallboard, floor tile and sheeting, roofing and siding shingles, and construction mastic.

Clean room/Changing room - An uncontaminated room having facilities for the storage of employee's street clothing and uncontaminated materials and equipment.

Clearance sample - The final air sample taken after all asbestos work has been done and visually inspected. Performed by the VA's professional industrial hygiene consultant/Certified Industrial Hygienist (VPIH/CIH).

Closely resemble - The major workplace conditions which have contributed to the levels of historic asbestos exposure, are no more protective than conditions of the current workplace.

Competent person - In addition to the definition in 29 CFR 1926.32(f), one who is capable of identifying existing asbestos hazards in the workplace and selecting the appropriate control strategy for asbestos exposure, who has the authority to take prompt corrective measures to eliminate them, as specified in 29 CFR 1926.32(f); in addition, for Class I and II work who is specially trained in a training course which meets the criteria of EPA's Model Accreditation Plan (40 CFR 763) for supervisor.

Contractor's Professional Industrial Hygienist (CPIH/CIH) - The asbestos abatement contractor's industrial hygienist. The industrial hygienist must meet the qualification requirements of a PIH and may be a certified industrial hygienist (CIH).

Count - Refers to the fiber count or the average number of fibers greater than five microns in length with a length-to-width (aspect) ratio of at least 3 to 1, per cubic centimeter of air.

Crawlspace - An area which can be found either in or adjacent to the work area. This area has limited access and egress and may contain asbestos materials and/or asbestos contaminated soil.

Decontamination area/unit - An enclosed area adjacent to and connected to the regulated area and consisting of an equipment room, shower room, and clean room, which is used for the decontamination of workers, materials, and equipment that are contaminated with asbestos.

Demolition - The wrecking or taking out of any load-supporting structural member and any related razing, removing, or stripping of asbestos products.

VA Total – means a building or substantial part of the building is completely removed, torn or knocked down, bulldozed, flattened, or razed, including removal of building debris.

Disposal bag - Typically 6 mil thick sift-proof, dustproof, leak-tight container used to package and transport asbestos waste from regulated areas to the approved landfill. Each bag/container must be labeled/marked in accordance with EPA, OSHA and DOT requirements.

Disturbance - Activities that disrupt the matrix of ACM or PACM, crumble or pulverize ACM or PACM, or generate visible debris from ACM or PACM. Disturbance includes cutting away small amounts of ACM or PACM, no greater than the amount that can be contained in one standard sized glove bag or waste bag in order to access a building component. In no event shall the amount of ACM or PACM so disturbed exceed that which can be contained in one glove bag or disposal bag which shall not exceed 60 inches in length or width.

Drum - A rigid, impermeable container made of cardboard fiber, plastic, or metal which can be sealed in order to be sift-proof, dustproof, and leak-tight.

Employee exposure - The exposure to airborne asbestos that would occur if the employee were not wearing respiratory protection equipment.

Encapsulant - A material that surrounds or embeds asbestos fibers in an adhesive matrix and prevents the release of fibers.

Encapsulation - Treating ACM with an encapsulant.

Enclosure - The construction of an air tight, impermeable, permanent barrier around ACM to control the release of asbestos fibers from the material and also eliminate access to the material.

Equipment room - A contaminated room located within the decontamination area that is supplied with impermeable bags or containers for the disposal of contaminated protective clothing and equipment.

Fiber - A particulate form of asbestos, 5 microns or longer, with a length to width (aspect) ratio of at least 3 to 1.

Fibers per cubic centimeter (f/cc) - Abbreviation for fibers per cubic centimeter, used to describe the level of asbestos fibers in air.

Filter - Media used in respirators, vacuums, or other machines to remove particulate from air.

Firestopping - Material used to close the open parts of a structure in order to prevent a fire from spreading.

Friable asbestos containing material - Any material containing more than one (1) percent or asbestos as determined using the method specified in appendix A, Subpart F, 40 CFR 763, section 1, Polarized Light Microscopy, that, when dry, can be crumbled, pulverized, or reduced to powder by hand pressure.

Glovebag - Not more than a 60 x 60 inch impervious plastic bag-like enclosure affixed around an asbestos-containing material, with glove-like appendages through which materials and tools may be handled.

High efficiency particulate air (HEPA) filter – An ASHRAE MERV 17 filter capable of trapping and retaining at least 99.97 percent of all mono-dispersed particles of 0.3 micrometers in diameter.

HEPA vacuum - Vacuum collection equipment equipped with a HEPA filter system capable of collecting and retaining asbestos fibers.

Homogeneous area - An area of surfacing, thermal system insulation or miscellaneous ACM that is uniform in color, texture and date of application.

HVAC - Heating, Ventilation and Air Conditioning

Industrial hygienist (IH) - A professional qualified by education, training, and experience to anticipate, recognize, evaluate and develop controls for occupational health hazards. Meets definition requirements of the American Industrial Hygiene Association (AIHA).

Industrial hygienist technician (IH Technician) - A person working under the direction of an IH or CIH who has special training, experience, certifications and licenses required for the industrial hygiene work assigned. Some states require that an industrial hygienist technician conducting asbestos abatement clearance inspection and clearance air sampling be licensed as an asbestos project monitor.

Intact - The ACM has not crumbled, been pulverized, or otherwise deteriorated so that the asbestos is no longer likely to be bound with its matrix.

Lockdown - Applying encapsulant, after a final visual inspection, on all abated surfaces at the conclusion of ACM removal prior to removal of critical barriers.

National Emission Standards for Hazardous Air Pollutants (NESHAP) - EPA's rule to control emissions of asbestos to the environment (40 CFR Part 61, Subpart M).

Negative initial exposure assessment - A demonstration by the employer which complies with the criteria in 29 CFR 1926.1101 (f)(2)(iii), that employee exposure during an operation is expected to be consistently below the PEL.

Negative pressure - Air pressure which is lower than the surrounding area, created by exhausting air from a sealed regulated area through HEPA equipped filtration units. OSHA requires maintaining -0.02" water column gauge inside the negative pressure enclosure.

Negative pressure respirator - A respirator in which the air pressure inside the facepiece is negative during inhalation relative to the air pressure outside the respirator facepiece.

Non-friable ACM - Material that contains more than 1 percent asbestos but cannot be crumbled, pulverized, or reduced to powder by hand pressure.

Organic vapor cartridge - The type of cartridge used on air purifying respirators to remove organic vapor hazardous air contaminants.

Outside air - The air outside buildings and structures, including, but not limited to, the air under a bridge or in an open ferry dock.

Owner/operator - Any person who owns, leases, operates, controls, or supervises the facility being demolished or renovated or any person who owns, leases, operates, controls, or supervises the demolition or renovation operation, or both.

Penetrating encapsulant - Encapsulant that is absorbed into the ACM matrix without leaving a surface layer.

Personal sampling/monitoring - Representative air samples obtained in the breathing zone for one or workers within the regulated area using a filter cassette and a calibrated air sampling pump to determine asbestos exposure.

Personal protective equipment (PPE) - equipment designed to protect user from injury and/or specific job hazard. Such equipment may include protective clothing, hard hats, safety glasses, and respirators.

Permissible exposure limit (PEL) - The level of exposure OSHA allows for an 8 hour time weighted average. For asbestos fibers, the eight (8) hour time weighted average PEL

is 0.1 fibers per cubic centimeter (0.1 f/cc) of air and the 30-minute Excursion Limit is 1.0 fibers per cubic centimeter (1 f/cc).

Pipe tunnel – An area, typically located adjacent to mechanical spaces or boiler rooms in which the pipes servicing the heating system in the building are routed to allow the pipes to access heating elements. These areas may contain asbestos pipe insulation, asbestos fittings, or asbestos-contaminated soil.

Polarized light microscopy (PLM) - Light microscopy using dispersion staining techniques and refractive indices to identify and quantify the type(s) of asbestos present in a bulk sample.

Polyethylene sheeting - Strong plastic barrier material 4 to 6 mils thick, semi-transparent, flame retardant per NFPA 241.

Positive/negative fit check - A method of verifying the seal of a facepiece respirator by temporarily occluding the filters and breathing in (inhaling) and then temporarily occluding the exhalation valve and breathing out (exhaling) while checking for inward or outward leakage of the respirator respectively.

Presumed ACM (PACM) - Thermal system insulation, surfacing, and flooring material installed in buildings prior to 1981. If the building owner has actual knowledge, or should have known through the exercise of due diligence that other materials are ACM, they too must be treated as PACM. The designation of PACM may be rebutted pursuant to 29 CFR 1926.1101 (b).

Professional IH - An IH who meets the definition requirements of AIHA; meets the definition requirements of OSHA as a "Competent Person" at 29 CFR 1926.1101 (b); has completed two specialized EPA approved courses on management and supervision of asbestos abatement projects; has formal training in respiratory protection and waste disposal; and has a minimum of four projects of similar complexity with this project of which at least three projects serving as the supervisory IH. The PIH may be either the VA's PIH (VPIH) or Contractor's PIH (CPIH/CIH).

Project designer - A person who has successfully completed the training requirements for an asbestos abatement project designer as required by 40 CFR 763 Appendix C, Part I; (B)(5).

Assigned Protection factor - A value assigned by OSHA/NIOSH to indicate the expected protection provided by each respirator class, when the respirator is properly selected and worn correctly. The number indicates the reduction of exposure level from outside to inside the respirator facepiece.

Qualitative fit test (QLFT) - A fit test using a challenge material that can be sensed by the wearer if leakage in the respirator occurs.

Quantitative fit test (QNFT) - A fit test using a challenge material which is quantified outside and inside the respirator thus allowing the determination of the actual fit factor.

Regulated area - An area established by the employer to demarcate where Class I, II, III asbestos work is conducted, and any adjoining area where debris and waste from such asbestos work may accumulate; and a work area within which airborne concentrations of asbestos exceed, or there is a reasonable possibility they may exceed the PEL.

Regulated ACM (RACM) - Friable ACM; Category I non-friable ACM that has become friable; Category I non-friable ACM that will be or has been subjected to sanding, grinding, cutting, or abrading or; Category II non-friable ACM that has a high probability of becoming or has become crumbled, pulverized, or reduced to powder by the forces expected to act on the material in the course of the demolition or renovation operation.

Removal - All operations where ACM, PACM and/or RACM is taken out or stripped from structures or substrates, including demolition operations.

Renovation - Altering a facility or one or more facility components in any way, including the stripping or removal of asbestos from a facility component which does not involve demolition activity.

Repair - Overhauling, rebuilding, reconstructing, or reconditioning of structures or substrates, including encapsulation or other repair of ACM or PACM attached to structures or substrates.

Shower room - The portion of the PDF where personnel shower before leaving the regulated area.

Supplied air respirator (SAR) - A respiratory protection system that supplies minimum Grade D respirable air per ANSI/Compressed Gas Association Commodity Specification for Air, G-7.1-1989.

Surfacing ACM - A material containing more than 1 percent asbestos that is sprayed, troweled on or otherwise applied to surfaces for acoustical, fireproofing and other purposes.

Surfactant - A chemical added to water to decrease water's surface tension thus making it more penetrating into ACM.

Thermal system ACM - A material containing more than 1 percent asbestos applied to pipes, fittings, boilers, breeching, tanks, ducts, or other structural components to prevent heat loss or gain.

Transmission electron microscopy (TEM) - A microscopy method that can identify and count asbestos fibers.

Visible emissions - Any emissions, which are visually detectable without the aid of instruments, coming from ACM/PACM/RACM/ACS or ACM waste material.

Waste/Equipment decontamination facility (W/EDF) - The area in which equipment is decontaminated before removal from the regulated area.

Waste generator - Any owner or operator whose act or process produces asbestos-containing waste material.

Waste shipment record - The shipping document, required to be originated and signed by the waste generator, used to track and substantiate the disposition of asbestos-containing waste material.

Wet cleaning - The process of thoroughly eliminating, by wet methods, any asbestos contamination from surfaces or objects.

SPEC WRITER NOTE: You may wish to add further definitions.

1.3.3 REFERENCED STANDARDS ORGANIZATIONS:

The following acronyms or abbreviations as referenced in contract/specification documents are defined to mean the associated names. Names and addresses may be subject to change.

A. CFR Code of Federal Regulations
Government Printing Office
Washington, DC 20420

B. EPA Environmental Protection Agency

401 M St., SW
Washington, DC 20460
202-382-3949

- C. MIL-STD Military Standards/Standardization Division
Office of the Assistant Secretary of Defense
Washington, DC 20420
- D. NEC National Electrical Code (by NFPA)
- E. NEMA National Electrical Manufacturer's Association
2101 L Street, N.W.
Washington, DC 20037
- F. NFPA National Fire Protection Association
1 Batterymarch Park
P.O. Box 9101
Quincy, MA 02269-9101
800-344-3555
- G. OSHA Occupational Safety and Health Administration
U.S. Department of Labor
Government Printing Office
Washington, DC 20402

1.4 APPLICABLE CODES AND REGULATIONS

1.4.1 GENERAL APPLICABILITY OF CODES, REGULATIONS, AND STANDARDS:

- A. All work under this contract shall be done in strict accordance with all applicable Federal, State, and local regulations, standards and codes governing asbestos abatement, and any other trade work done in conjunction with the abatement. All applicable codes, regulations and standards are adopted into this specification and will have the same force and effect as this specification.
- B. The most recent edition of any relevant regulation, standard, document or code shall be in effect. Where conflict among the requirements or with these specification exists, the most stringent requirement(s) shall be utilized.
- C. Copies of all standards, regulations, codes and other applicable documents, including this specification and those listed in Section 1.5 shall be available at the worksite in the Abatement Contractor's office area/clean room.

1.4.2 ABATEMENT CONTRACTOR RESPONSIBILITY:

The Asbestos Abatement Contractor (Contractor) shall assume full responsibility and liability for compliance with all applicable Federal, State and Local regulations related to any and all aspects of the asbestos abatement project. The Contractor is responsible for providing and maintaining training, accreditations, medical exams, medical records, personal protective equipment (PPE) including respiratory protection including respirator

fit testing, as required by applicable Federal, State and Local regulations. The Contractor shall hold the VA and VPIH/CIH consultants harmless for any Contractor's failure to comply with any applicable work, packaging, transporting, disposal, safety, health, or environmental requirement on the part of himself, his employees, or his subcontractors. The Contractor will incur all costs of the CPIH/CIH, including all sampling/analytical costs to assure compliance with OSHA/EPA/State requirements related to failure to comply with the regulations applicable to the work.

1.4.3 FEDERAL REQUIREMENTS:

Federal requirements which govern various aspects of asbestos abatement include, but are not limited to, the following regulations:

- A. Occupational Safety and Health Administration (OSHA)
 - 1. Title 29 CFR 1926 - Construction Standard Requirements - Demolition Work
 - 2. Title 29 CFR 1910.38(a);(b) - Emergency Action Plan
 - 3. Title 29 CFR 1910.132 - Personal Protective Equipment
 - 4. Title 29 CFR 1910.20 - Access to Employee Exposure and Medical Records
 - 5. Title 29 CFR 1910.1200 - Hazard Communication
 - 6. Title 29 CFR 1910.151 - Medical and First Aid
- B. Environmental Protection Agency (EPA)
 - 1. Title 40 CFR 61 Subpart A and M (Revised Subpart B) - National Emission Standard for Hazardous Air Pollutants - Asbestos.
 - 2. Title 40 CFR 763 - Asbestos Hazard Emergency Response Act (AHERA) and Asbestos School Hazard Abatement Reauthorization Act (ASHARA).

1.4.6 PERMITS/LICENSES:

The Abatement Contractor shall apply for and have on-site all required permits and licenses to perform abatement work as required by Federal, State, and Local regulations.

1.4.7 POSTING AND FILING OF REGULATIONS:

Maintain one (1) copy of all applicable federal, state, and local regulations. The regulations will be kept in the Abatement Contractor's office for access. If required, the Contractor shall comply with all applicable State licensing requirements.

1.4.8 EMERGENCY ACTION PLAN AND ARRANGEMENTS

- A. An Emergency Action Plan shall be developed by prior to commencing abatement activities and shall be agreed to by the Contractor and the VA. The Plan shall meet the requirements of 29 CFR 1910.38 (a); (b).
- B. Emergency procedures shall be in written form and prominently posted in the clean room and equipment room of the decontamination unit. Everyone, prior to entering the regulated area, must read and sign these procedures to acknowledge understanding of the regulated area layout, location of emergency exits and emergency procedures.
- C. Emergency planning shall include written notification of police, fire, and emergency medical personnel of planned abatement activities; work schedule; layout of regulated

- area; and access to the regulated area, particularly barriers that may affect response capabilities.
- D. Emergency planning shall include consideration of fire, explosion, hazardous atmospheres, electrical hazards, slips/trips and falls, confined spaces, and heat stress illness. Written procedures for response to emergency situations shall be developed and employee training in procedures shall be provided.
 - E. Employees shall be trained in regulated area/site evacuation procedures in the event of workplace emergencies.
 - 1. For non life-threatening situations - employees injured or otherwise incapacitated shall decontaminate following normal procedures with assistance from fellow workers, if necessary, before exiting the regulated area to obtain proper medical treatment.
 - 2. For life-threatening injury or illness, worker decontamination shall take least priority after measures to stabilize the injured worker, remove them from the regulated area, and secure proper medical treatment.
 - F. Telephone numbers of any/all emergency response personnel shall be prominently posted in the clean room, along with the location of the nearest telephone.
 - G. The Contractor shall provide verification of first aid/CPR training for personnel responsible for providing first aid/CPR. OSHA requires medical assistance within 3-4 minutes of a life-threatening injury/illness. Bloodborne Pathogen training shall also be verified for those personnel required to provide first aid/CPR.
 - H. The Emergency Action Plan shall provide for a Contingency Plan in the event that an incident occurs that may require the modification of the standard operating procedures during abatement. Such incidents include, but are not limited to, fire; accident; power failure; negative pressure failure; and supplied air system failure. The Contractor shall detail procedures to be followed in the event of an incident assuring that asbestos abatement work is stopped and wetting is continued until correction of the problem.

1.4.9 ACCIDENT PREVENTION

- A. The Abatement Contractor shall provide and maintain a work environment and procedures which will safeguard the public.
- B. While performing abatement activities, the Abatement Contractor shall provide all/any required safety barricades, signs, and signal lights. The Abatement Contractor shall comply with all applicable standards related to abatement operations as mandated by OSHA/EPA/State Standards.

1.4.10 PRE-CONSTRUCTION MEETING

Prior to commencing the work, the Contractor shall present, as appropriate, the items following this paragraph. The Contractor's Competent Person(s) who will be on-site shall participate in the pre-start meeting. The pre-start meeting is to discuss and determine procedures to be used during the project. At this meeting, the Contractor shall provide:

- A. Proof of Contractor licensing.
- B. Proof the Competent Person(s) is trained and accredited and approved for working in this State. Verification of the experience of the Competent Person(s) shall also be presented.
- C. A list of all workers who will participate in the project, including experience and verification of training and accreditation.

- D. A list of and verification of training for all personnel who have current first-aid/CPR training. A minimum of one person per shift must have adequate training.
- E. Current medical written opinions for all personnel working on-site meeting the requirements of 29 CFR 1926.1101 (m).
- F. Current fit-tests for all personnel wearing respirators on-site meeting the requirements of 29 CFR 1926.1101 (h) and Appendix C.
- G. A copy of the Contractor's Asbestos Hazard Abatement Plan. In these procedures, the following information must be detailed, specific for this project.
 - 1. Regulated area preparation procedures;
 - 2. Notification requirements procedure of Contractor as required in 29 CFR 1926.1101 (d);
 - 3. Decontamination area set-up/layout and decontamination procedures for employees;
 - 4. Abatement methods/procedures and equipment to be used; and
 - 5. Personal protective equipment to be used.
- H. At this meeting the Contractor shall provide all submittals as required.
- I. Procedures for handling, packaging and disposal of asbestos waste.
- J. Emergency Action Plan and Contingency Plan Procedures.

1.5 ABATEMENT PROJECT COORDINATION

Following are the minimum personnel necessary for coordination of the abatement work.

1.5.1 PERSONNEL

- A. Administrative and supervisory personnel shall consist of a qualified Competent Person(s) as defined by OSHA in the Construction Standards and the Asbestos Construction Standard; Contractor Professional Industrial Hygienist and Industrial Hygiene Technicians. These employees are the Contractor's representatives responsible for compliance with these specifications and all other applicable requirements.
- B. Minimum qualifications for Contractor and assigned personnel are:
 - 1. The Contractor has conducted within the last three (3) years, three (3) projects of similar complexity and dollar value as this project; has not been cited and penalized for serious violations of federal (and state as applicable) EPA and OSHA asbestos regulations in the past three (3) years; has adequate liability/occurrence insurance for asbestos work as required by the state; is licensed in applicable states; has adequate and qualified personnel available to complete the work; has comprehensive standard operating procedures for asbestos work; has adequate materials, equipment and supplies to perform the work.
 - 2. The Competent Person has four (4) years of abatement experience of which two (2) years were as the Competent Person on the project; meets the OSHA definition of a Competent Person; has been the Competent Person on two (2) projects of similar size and complexity as this project within the past three (3) years; has completed EPA AHERA/OSHA/State/Local training requirements/accreditation(s) and refreshers; and has all required OSHA documentation related to medical and respiratory protection.
 - 3. The Abatement Personnel shall have completed the EPA AHERA/OSHA abatement worker course; have training on the standard operating procedures of the Contractor; has one year of asbestos abatement experience within the past three (3) years of similar size and complexity; has applicable medical and respiratory protection

documentation; has certificate of training/current refresher and State accreditation/license.

All personnel should be in compliance with OSHA construction safety training as applicable and submit certification.

1.6 WORKER PROTECTION

1.6.1 TRAINING OF ABATEMENT PERSONNEL

Prior to beginning any abatement activity, all personnel shall be trained in accordance with OSHA 29 CFR 1926.1101 (k)(9) and any additional State/Local requirements. Training must include, at a minimum, the elements listed at 29 CFR 1926.1101 (k)(9)(viii). Training shall have been conducted by a third party, EPA/State approved trainer meeting the requirements of EPA 40 CFR 763 Appendix C (AHERA MAP). Initial training certificates and current refresher and accreditation proof must be submitted for each person working at the site. The OSHA Construction Safety 10 Hour course shall be required for all on-site contractors' personnel.

1.6.2 PERSONAL PROTECTIVE EQUIPMENT

Provide, at a minimum, steel toe boots, hard hats, safety glasses, protective clothing, respiratory protection and any other personal protective equipment as determined by conducting the hazard assessment required by OSHA at 29 CFR 1910.132 (d). A copy of the hazard assessment shall be provided to the VPIH. The Competent Person and CPIH shall ensure the provision of and the integrity of personal protective equipment worn for the duration of the project.

1.7 RESPIRATORY PROTECTION

1.7.1 GENERAL - RESPIRATORY PROTECTION PROGRAM

The Contractor shall develop and implement a written Respiratory Protection Program (RPP) which is in compliance with the January 8, 1998 OSHA requirements found at 29 CFR 1926.1101 and 29 CFR 1910.Subpart I;134. ANSI Standard Z88.2-1992 provides excellent guidance for developing a respiratory protection program. All respirators used must be NIOSH approved for asbestos abatement activities. The written RPP shall, at a minimum, contain the basic requirements found at 29 CFR 1910.134 (c)(1)(i - ix) - Respiratory Protection Program.

1.7.2 RESPIRATORY PROTECTION PROGRAM COORDINATOR

The Respiratory Protection Program Coordinator (RPPC) must be identified and shall have two (2) years experience coordinating RPP of similar size and complexity. The RPPC must submit a signed statement attesting to the fact that the program meets the above requirements.

1.7.3 SELECTION AND USE OF RESPIRATORS

The procedure for the selection and use of respirators must be submitted to the Engineer as part of the Contractor's qualifications. The procedure must be written clearly enough for workers to understand. A copy of the Respiratory Protection Program must be available in

the clean room of the decontamination unit for reference by employees or authorized visitors.

1.7.4 MINIMUM RESPIRATORY PROTECTION

Minimum respiratory protection shall be a full face powered air purifying respirator when fiber levels are maintained consistently at or below 0.5 f/cc. A higher level of respiratory protection may be provided or required, depending on fiber levels. Respirator selection shall meet the requirements of 29 CFR 1926.1101 (h); Table 1, except as indicated in this paragraph. Abatement personnel must have a respirator for their exclusive use.

1.7.5 MEDICAL WRITTEN OPINION

No employee shall be allowed to wear a respirator unless a physician or other licensed health care professional has provided a written determination they are medically qualified to wear the class of respirator to be used on the project while wearing whole body impermeable garments and subjected to heat or cold stress.

1.7.6 RESPIRATOR FIT TEST

All personnel wearing respirators shall have a current qualitative/quantitative fit test which was conducted in accordance with 29 CFR 1910.134 (f) and Appendix A. Quantitative fit tests shall be done for PAPR's which have been put into a motor/blower failure mode

1.7.7 RESPIRATOR FIT CHECK

The Competent Person shall assure that the positive/negative pressure user seal check is done each time the respirator is donned by an employee. Head coverings must cover respirator head straps. Any situation that prevents an effective facepiece to face seal as evidenced by failure of a user seal check shall preclude that person from wearing a respirator inside the regulated area until resolution of the problem.

1.7.8 MAINTENANCE AND CARE OF RESPIRATORS:

The Respiratory Protection Program Coordinator shall submit evidence and documentation showing compliance with 29 CFR 1910.134 (h) Maintenance and care of respirators.

1.7.9 SUPPLIED AIR SYSTEMS

If a supplied air system is used, the system shall meet all requirements of 29 CFR 1910.134 and the ANSI/Compressed Gas Association (CGA) Commodity Specification for Air current requirements for Type 1 - Grade D breathing air. Low pressure systems are not allowed to be used on asbestos abatement projects. Supplied Air respirator use shall be in accordance with EPA/NIOSH publication EPA-560-OPTS-86-001 "A Guide to Respiratory Protection for the Asbestos Abatement Industry". The competent person on site will be responsible for the supplied air system to ensure the safety of the worker.

1.8 WORKER PROTECTION

1.8.1 MEDICAL EXAMINATIONS

Medical examinations meeting the requirements of 29 CFR 1926.1101 (m) shall be provided for all personnel working in the regulated area, regardless of exposure levels. A current physician's written opinion as required by 29 CFR 1926.1101 (m)(4) shall be provided for each person and shall include in the medical opinion the person has been evaluated for working in a heat and cold stress environment while wearing personal protective equipment (PPE) and is able to perform the work without risk of material health impairment.

1.8.2 PROTECTIVE CLOTHING

Provide boots, booties, hard hats, goggles, clothing, respirators and any other personal protective equipment as determined by conducting the hazard assessment required by OSHA at 29 CFR 1910.132 (d). Provide all personnel entering the regulated area with disposable full body coveralls, disposable head covering, and 18 inch boot coverings. The Competent Person shall ensure the integrity of personal protective equipment worn for the duration of the project. Provide plastic/rubber disposable gloves for hand protection. Cloth type gloves may be worn under plastic/rubber gloves, but cannot be used alone. Duct tape shall be used to secure all suit sleeves to wrists and to secure foot coverings at the ankle. Worker protection shall meet the most stringent requirement.

1.8.3 REGULATED AREA ENTRY PROCEDURE

The Competent Person shall ensure that each time workers enter the regulated area; they remove ALL street clothes in the clean room of the decontamination unit and put on new disposable coveralls, head coverings, a clean respirator, and then proceed through the shower room to the equipment room where they put on non-disposable required personal protective equipment.

1.8.4 DECONTAMINATION PROCEDURE

The Competent Person shall require all personnel to adhere to following decontamination procedures whenever they leave the regulated area.

- A. When exiting the regulated area, remove disposable coveralls, and ALL other clothes, disposable head coverings, and foot coverings or boots in the equipment room.
- B. Still wearing the respirator and completely naked, proceed to the shower. Showering is MANDATORY. Care must be taken to follow reasonable procedures in removing the respirator to avoid inhaling asbestos fibers while showering. The following procedure is required as a minimum:
 1. Thoroughly wet body including hair and face. If using a PAPR hold blower above head to keep filters dry.
 2. With respirator still in place, thoroughly decontaminate body, hair, respirator face piece, and all other parts of the respirator except the blower and battery pack on a PAPR. Pay particular attention to cleaning the seal between the face and respirator facepiece and under the respirator straps.
 3. Take a deep breath, hold it and/or exhale slowly, completely wetting hair, face, and respirator. While still holding breath, remove the respirator and hold it away from the face before starting to breathe.

- C. Carefully decontaminate the facepiece of the respirator inside and out. If using a PAPR, shut down using the following sequence: a) first cap inlets to filters; b) turn blower off to keep debris collected on the inlet side of the filter from dislodging and contaminating the outside of the unit; c) thoroughly decontaminate blower and hoses; d) carefully decontaminate battery pack with a wet rag being cautious of getting water in the battery pack thus preventing destruction. **(THIS PROCEDURE IS NOT A SUBSTITUTE FOR RESPIRATOR CLEANING!).**
- D. Shower and wash body completely with soap and water. Rinse thoroughly.
- E. Rinse shower room walls and floor to drain prior to exiting.
- F. Proceed from shower to clean room; dry off and change into street clothes or into new disposable work clothing.

1.8.5 REGULATED AREA REQUIREMENTS

The Competent Person shall meet all requirements of 29 CFR 1926.1101 (o) and assure that all requirements for regulated areas at 29 CFR 1926.1101 (e) are met. All personnel in the regulated area shall not be allowed to eat, drink, smoke, chew tobacco or gum, apply cosmetics, or in any way interfere with the fit of their respirator.

1.9 DECONTAMINATION FACILITIES

1.9.1 DESCRIPTION

Provide each regulated area with separate personnel (PDF) and equipment/waste decontamination facilities (EWDF). Ensure that the PDF are the only means of ingress and egress to the regulated area and that all equipment, bagged waste, and other material exit the regulated area only through the EWDF. Separate shower facilities must be provided for males/females as per OSHA requirements. See drawings for minimum requirements of each and OSHA 29 CFR 1926.1101, Appendix F.

1.9.2 GENERAL REQUIREMENTS

All personnel entering or exiting a regulated area must go through the PDF and shall follow the requirements at 29 CFR 1926.1101 (j)(1) and these specifications. All waste, equipment and contaminated materials must exit the regulated area through the W/EDF and be decontaminated in accordance with these specifications. Walls and ceilings of the PDF and W/EDF must be constructed of a minimum of 3 layers of 6 mil opaque fire retardant polyethylene sheeting and be securely attached to existing building components and/or an adequate temporary framework. A minimum of 3 layers of 6 mil poly shall also be used to cover the floor under the PDF and W/EDF units. Construct doors so that they overlap and secure to adjacent surfaces. Weight inner doorway sheets with layers of duct tape so that they close quickly after release. Put arrows on sheets so they show direction of travel and overlap. If the building adjacent area is occupied, construct a solid barrier on the occupied side(s) to protect the sheeting and reduce potential for non-authorized personnel entering the regulated area.

1.9.3 TEMPORARY FACILITIES TO THE PDF AND EWDF

The Competent Person shall provide temporary water service connections to the PDF and W/EDF. Backflow prevention must be provided at the point of connection to the VA system. Water supply must be of adequate pressure and meet requirements of 29 CFR

1910.141(d)(3). Provide adequate temporary overhead electric power with ground fault circuit interruption (GFCI) protection. Provide a sub-panel equipped with GFCI protection for all temporary power in the clean room. Provide adequate lighting to provide a minimum of 50 foot candles in the PDF and W/EDF. Provide temporary heat, if needed, to maintain 70°F throughout the PDF and W/EDF.

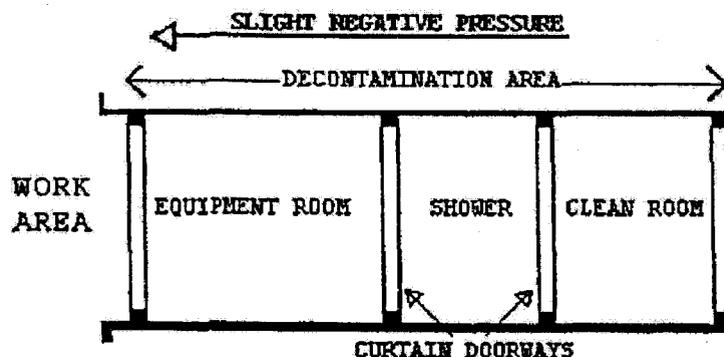
1.9.3 PERSONNEL DECONTAMINATION FACILITY (PDF)

The Competent Person shall provide a PDF consisting of shower room which is contiguous to a clean room and equipment room which is connected to the regulated area. The PDF must be sized to accommodate the number of personnel scheduled for the project. The shower room, located in the center of the PDF, shall be fitted with as many portable showers as necessary to insure all employees can complete the entire decontamination procedure within 15 minutes. The PDF shall be constructed of opaque poly for privacy. The PDF shall be constructed to eliminate any parallel routes of egress without showering.

1. Clean Room: The clean room must be physically and visually separated from the rest of the building to protect the privacy of personnel changing clothes. The clean room shall be constructed of at least 3 layers of 6 mil opaque fire retardant poly to provide an air tight room. Provide a minimum of 2 - 900 mm (3 foot) wide 6 mil poly opaque fire retardant doorways. One doorway shall be the entry from outside the PDF and the second doorway shall be to the shower room of the PDF. The floor of the clean room shall be maintained in a clean, dry condition. Shower overflow shall not be allowed into the clean room. Provide 1 storage locker per person. A portable fire extinguisher, minimum 10 pounds capacity, Type ABC, shall be provided in accordance with OSHA and NFPA Standard 10. All persons entering the regulated area shall remove all street clothing in the clean room and dress in disposable protective clothing and respiratory protection. Any person entering the clean room does so either from the outside with street clothing on or is coming from the shower room completely naked and thoroughly washed. Females required to enter the regulated area shall be ensured of their privacy throughout the entry/exit process by posting guards at both entry points to the PDF so no male can enter or exit the PDF during her stay in the PDF.
2. Shower Room: The Competent Person shall assure that the shower room is a completely water tight compartment to be used for the movement of all personnel from the clean room to the equipment room and for the showering of all personnel going from the equipment room to the clean room. Each shower shall be constructed so water runs down the walls of the shower and into a drip pan. Install a freely draining smooth floor on top of the shower pan. The shower room shall be separated from the rest of the building and from the clean room and equipment room using air tight walls made from at least 3 layers of 6 mil opaque fire retardant poly. The shower shall be equipped with a shower head and controls, hot and cold water, drainage, soap dish and continuous supply of soap, and shall be maintained in a sanitary condition throughout its use. The controls shall be arranged so an individual can shower without assistance. Provide a flexible hose shower head, hose bibs and all other items shown on Shower Schematic. Waste water will be pumped to a drain after being filtered through a minimum of a 100 micron sock in the shower drain; a 20 micron filter; and a final 5 micron filter. Filters will be changed a minimum of daily or more often as needed. Filter changes must be done in the shower to prevent loss of contaminated

water. Hose down all shower surfaces after each shift and clean any debris from the shower pan. Residue is to be disposed of as asbestos waste.

3. Equipment Room: The Competent Person shall provide an equipment room which shall be an air tight compartment for the storage of work equipment/tools, reusable personal protective equipment, except for a respirator and for use as a gross decontamination area for personnel exiting the regulated area. The equipment room shall be separated from the regulated area by a minimum 3 foot wide door made with 2 layers of 6 mil opaque fire retardant poly. The equipment room shall be separated from the regulated area, the shower room and the rest of the building by air tight walls and ceiling constructed of a minimum of 3 layers of 6 mil opaque fire retardant poly. Damp wipe all surfaces of the equipment room after each shift change. Provide an additional loose layer of 6 mil fire retardant poly per shift change and remove this layer after each shift. If needed, provide a temporary electrical sub-panel equipped with GFCI in the equipment room to accommodate any equipment required in the regulated area.
4. The PDF shall be as follows: Clean room at the entrance followed by a shower room followed by an equipment room leading to the regulated area. Each doorway in the PDF shall be a minimum of 2 layers of 6 mil opaque fire retardant poly.

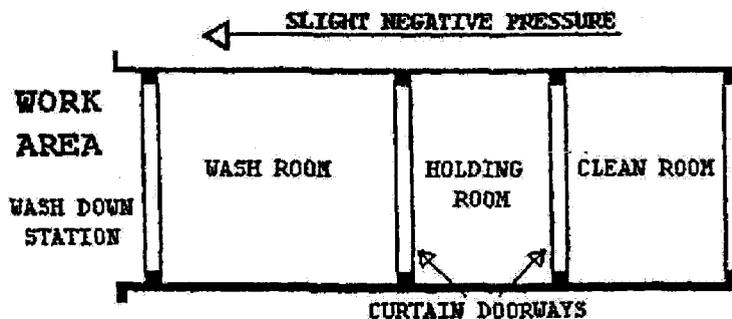


1.9.5 EQUIPMENT/WASTE DECONTAMINATION FACILITY (EWDF)

The Competent Person shall provide a W/EDF consisting of a wash room, holding room, and clean room for removal of waste, equipment and contaminated material from the regulated area. Personnel shall not enter or exit the W/EDF except in the event of an emergency. Clean debris and residue in the W/EDF daily. All surfaces in the W/EDF shall be wiped/hosed down after each shift and all debris shall be cleaned from the shower pan. The W/EDF shall consist of the following:

1. Wash Down Station: Provide an enclosed shower unit in the regulated area just outside the Wash Room as an equipment bag and container cleaning station.
2. Wash Room: Provide a wash room for cleaning of bagged or containerized asbestos containing waste materials passed from the regulated area. Construct the wash room using 50 x 100 mm (2" x 4") wood framing and 3 layers of 6 mil fire retardant poly. Locate the wash room so that packaged materials, after being wiped clean, can be

- passed to the Holding Room. Doorways in the wash room shall be constructed of 2 layers of 6 mil fire retardant poly.
3. Holding Room: Provide a holding room as a drop location for bagged materials passed from the wash room. Construct the holding room using 50 x 100 mm (2" x 4") wood framing and 3 layers of 6 mil fire retardant poly. The holding room shall be located so that bagged material cannot be passed from the wash room to the clean room unless it goes through the holding room. Doorways in the holding room shall be constructed of 2 layers of 6 mil fire retardant poly.
 4. Clean Room: Provide a clean room to isolate the holding room from the exterior of the regulated area. Construct the clean room using 2 x 4 wood framing and 2 layers of 6 mil fire retardant poly. The clean room shall be located so as to provide access to the holding room from the building exterior. Doorways to the clean room shall be constructed of 2 layers of 6 mil fire retardant poly. When a negative pressure differential system is used, a rigid enclosure separation between the W/EDF clean room and the adjacent areas shall be provided.
 5. The W/EDF shall be as follows: Wash Room leading to a Holding Room followed by a Clean Room leading to outside the regulated area. See diagram.



1.9.6 EQUIPMENT/WASTE DECONTAMINATION PROCEDURES:

At the wash down station in the regulated area, thoroughly wet clean contaminated equipment and/or sealed polyethylene bags and pass into Wash Room after visual inspection. When passing anything into the Wash Room, close all doorways of the W/EDF, other than the doorway between the wash down station and the Wash Room. Keep all outside personnel clear of the W/EDF. Once inside the Wash Room, wet clean the equipment and/or bags. After cleaning and inspection, pass items into the Holding Room. Close all doorways except the doorway between the Holding Room and the Clean Room. Workers from the Clean Room/Exterior shall enter the Holding Room and remove the decontaminated/cleaned equipment/bags for removal and disposal. These personnel will not be required to wear PPE. At no time shall personnel from the clean side be allowed to enter the Wash Room.

PART 2 - PRODUCTS, MATERIALS AND EQUIPMENT

2.1 MATERIALS AND EQUIPMENT

2.21.1 GENERAL REQUIREMENTS (ALL ABATEMENT PROJECTS)

Prior to the start of work, the contractor shall provide and maintain a sufficient quantity of materials and equipment to assure continuous and efficient work throughout the duration of the project. Work shall not start unless the following items have been delivered to the site and the CPIH/CIH has submitted verification to the VA's representative.

- A. All materials shall be delivered in their original package, container or bundle bearing the name of the manufacturer and the brand name (where applicable).
- B. Store all materials subject to damage off the ground, away from wet or damp surfaces and under cover sufficient enough to prevent damage or contamination. Flammable and combustible materials cannot be stored inside buildings. Replacement materials shall be stored outside of the regulated area until abatement is completed.
- C. The Contractor shall not block or hinder use of buildings by patients, staff, and visitors to the VA in partially occupied buildings by placing materials/equipment in any unauthorized location.
- D. The Competent Person shall inspect for damaged, deteriorating or previously used materials. Such materials shall not be used and shall be removed from the worksite and disposed of properly.
- E. Polyethylene sheeting for walls in the regulated area shall be a minimum of 4-mil, unless otherwise specified by the VA or more stringent State requirement(s). For floors and all other uses, sheeting of at least 6-mil shall be used in widths selected to minimize the frequency of joints. Fire retardant poly shall be used throughout.
- F. The method of attaching polyethylene sheeting shall be agreed upon in advance by the Contractor and selected to minimize damage to equipment and surfaces. Method of attachment may include any combination of moisture resistant duct tape furring strips, spray glue, staples, nails, screws, lumber and plywood for enclosures or other effective procedures capable of sealing polyethylene to dissimilar finished or unfinished surfaces under both wet and dry conditions.
- G. Polyethylene sheeting utilized for the PDF shall be opaque white or black in color, 6 mil fire retardant poly.
- H. Installation and plumbing hardware, showers, hoses, drain pans, sump pumps and waste water filtration system shall be provided by the Contractor.
- I. An adequate number of HEPA vacuums, scrapers, sprayers, nylon brushes, brooms, disposable mops, rags, sponges, staple guns, shovels, ladders and scaffolding of suitable height and length as well as meeting OSHA requirements, fall protection devices, water hose to reach all areas in the regulated area, airless spray equipment, and any other tools, materials or equipment required to conduct the abatement project. All electrically operated hand tools, equipment, electric cords shall be connected to GFCI protection.
- J. Special protection for objects in the regulated area shall be detailed (e.g., plywood over carpeting or hardwood floors to prevent damage from scaffolds, water and falling material).
- K. Disposal bags – 2 layers of 6 mil poly for asbestos waste shall be pre-printed with labels, markings and address as required by OSHA, EPA and DOT regulations.

- L. The Engineer shall be provided an advance copy of the MSDS as required for all hazardous chemicals under OSHA 29 CFR 1910.1200 - Hazard Communication in the pre-project submittal. Chlorinated compounds shall not be used with any spray adhesive, mastic remover or other product. Appropriate encapsulant(s) shall be provided.
- M. OSHA DANGER demarcation signs, as many and as required by OSHA 29 CFR 1926.1101(k)(7) shall be provided and placed by the Competent Person. All other posters and notices required by Federal and State regulations shall be posted in the Clean Room.
- N. Adequate and appropriate PPE for the project and number of personnel/shifts shall be provided. All personal protective equipment issued must be based on a written hazard assessment conducted under 29 CFR 1910.132(d).

2.1.2 NEGATIVE PRESSURE FILTRATION SYSTEM

The Contractor shall provide enough HEPA negative air machines to continuously maintain a pressure differential of -0.02" water column gauge. The Competent Person shall determine the number of units needed for the regulated area by dividing the cubic feet in the regulated area by 15 and then dividing that result by the cubic feet per minute (CFM) for each unit to determine the number of units needed to continuously maintain a pressure differential of -0.02" WCG. Provide a standby unit in the event of machine failure and/or emergency in an adjacent area.

NIOSH has done extensive studies and has determined that negative air machines typically operate at ~50% efficiency. The contractor shall consider this in their determination of number of units needed to continuously maintain a pressure differential of -0.02" water column gauge. The contractor shall use 8 air changes per hour or double the number of machines, based on their calculations, or submit proof their machines operate at stated capacities, at a 2" pressure drop across the filters.

2.1.3 DESIGN AND LAYOUT

- A. Before start of work submit the design and layout of the regulated area and the negative air machines. The submittal shall indicate the number of, location of and size of negative air machines. The point(s) of exhaust, air flow within the regulated area, anticipated negative pressure differential, and supporting calculations for sizing shall be provided. In addition, submit the following:
 - 1. Method of supplying power to the units and designation/location of the panels.
 - 2. Description of testing method(s) for correct air volume and pressure differential.
 - 3. If auxiliary power supply is to be provided for the negative air machines, provide a schematic diagram of the power supply and manufacturer's data on the generator and switch.

2.1.4 NEGATIVE AIR MACHINES (HEPA UNITS)

- A. Negative Air Machine Cabinet: The cabinet shall be constructed of steel or other durable material capable of withstanding potential damage from rough handling and transportation. The width of the cabinet shall be less than 30" in order to fit in standard doorways. The cabinet must be factory sealed to prevent asbestos fibers from being released during use, transport, or maintenance. Any access to and replacement of filters shall be from the inlet end. The unit must be on casters or wheels.

- B. Negative Air Machine Fan: The rating capacity of the fan must indicate the CFM under actual operating conditions. Manufacturer's typically use "free-air" (no resistance) conditions when rating fans. The fan must be a centrifugal type fan.
- C. Negative Air Machine Final Filter: The final filter shall be a HEPA filter. The filter media must be completely sealed on all edges within a structurally rigid frame. The filter shall align with a continuous flexible gasket material in the negative air machine housing to form an air tight seal. Each HEPA filter shall be certified by the manufacturer to have an efficiency of not less than 99.97%. Testing shall have been done in accordance with Military Standard MIL-STD-282 and Army Instruction Manual 136-300-175A. Each filter must bear a UL586 label to indicate ability to perform under specified conditions. Each filter shall be marked with the name of the manufacturer, serial number, air flow rating, efficiency and resistance, and the direction of test air flow.
- D. Negative Air Machine Pre-filters: The pre-filters, which protect the final HEPA filter by removing larger particles, are required to prolong the operating life of the HEPA filter. Two stages of pre-filtration are required. A first stage pre-filter shall be a low efficiency type for particles 10 μ m or larger. A second stage pre-filter shall have a medium efficiency effective for particles down to 5 μ m or larger. Pre-filters shall be installed either on or in the intake opening of the negative air machine and the second stage filter must be held in place with a special housing or clamps.
- E. Negative Air Machine Instrumentation: Each unit must be equipped with a gauge to measure the pressure drop across the filters and to indicate when filters have become loaded and need to be changed. A table indicating the cfm for various pressure readings on the gauge shall be affixed near the gauge for reference or the reading shall indicate at what point the filters shall be changed, noting cfm delivery. The unit must have an elapsed time meter to show total hours of operation.
- F. Negative Air Machine Safety and Warning Devices: An electrical/ mechanical lockout must be provided to prevent the fan from being operated without a HEPA filter. Units must be equipped with an automatic shutdown device to stop the fan in the event of a rupture in the HEPA filter or blockage in the discharge of the fan. Warning lights are required to indicate normal operation; too high a pressure drop across filters; or too low of a pressure drop across filters.
- G. Negative Air Machine Electrical: All electrical components shall be approved by the National Electrical Manufacturer's Association (NEMA) and Underwriters Laboratories (UL). Each unit must be provided with overload protection and the motor, fan, fan housing, and cabinet must be grounded.
- H. It is essential that replacement HEPA filters be tested using an "in-line" testing method, to ensure the seal around the periphery was not damaged during replacement. Damage to the outer HEPA filter seal could allow contaminated air to bypass the HEPA filter and be discharged to an inappropriate location. Contractor will provide written documentation of test results for negative air machine units with HEPA filters changed by the contractor or documentation when changed and tested by the contractor filters.

2.1.5 PRESSURE DIFFERENTIAL

The fully operational negative air system within the regulated area shall continuously maintain a pressure differential of -0.02" water column gauge. Before any disturbance of any asbestos material, this shall be demonstrated to the VA by use of a pressure differential meter/manometer as required by OSHA 29 CFR 1926.1101(e)(5)(i). The

Competent Person shall be responsible for providing, maintaining, and documenting the negative pressure and air changes as required by OSHA and this specification.

2.1.6 MONITORING

The pressure differential shall be continuously monitored and recorded between the regulated area and the area outside the regulated area with a monitoring device that incorporates a strip chart recorder. The strip chart recorder shall become part of the project log and shall indicate at least -0.02" water column gauge for the duration of the project.

2.1.7 AUXILIARY GENERATOR

If the building is occupied during abatement, provide an auxiliary gasoline/diesel generator located outside the building in an area protected from the weather. In the event of a power failure of the general power grid and the VAMC emergency power grid, the generator must automatically start and supply power to a minimum of 50% of the negative air machines in operation

2.1.8 SUPPLEMENTAL MAKE-UP AIR INLETS

Provide, as needed for proper air flow in the regulated area, in a location approved by the VA, openings in the plastic sheeting to allow outside air to flow into the regulated area. Auxiliary makeup air inlets must be located as far from the negative air machines as possible, off the floor near the ceiling, and away from the barriers that separate the regulated area from the occupied clean areas. Cover the inlets with weighted flaps which will seal in the event of failure of the negative pressure system.

2.1.9 TESTING THE SYSTEM

The negative pressure system must be tested before any ACM is disturbed in any way. After the regulated area has been completely prepared, the decontamination units set up, and the negative air machines installed, start the units up one at a time. Demonstrate and document the operation and testing of the negative pressure system to the VA using smoke tubes and a negative pressure gauge. Verification and documentation of adequate negative pressure differential across each barrier must be done at the start of each work shift.

2.1.10 DEMONSTRATION OF THE NEGATIVE AIR PRESSURE SYSTEM

The demonstration of the operation of the negative pressure system to the VA shall include, but not be limited to, the following:

- A. Plastic barriers and sheeting move lightly in toward the regulated area.
- B. Curtains of the decontamination units move in toward regulated area.
- C. There is a noticeable movement of air through the decontamination units. Use the smoke tube to demonstrate air movement from the clean room to the shower room to the equipment room to the regulated area.
- D. Use smoke tubes to demonstrate air is moving across all areas in which work is to be done. Use a differential pressure gauge to indicate a negative pressure of at least -0.02" across every barrier separating the regulated area from the rest of the building. Modify the system as necessary to meet the above requirements.

2.1.11 USE OF SYSTEM DURING ABATEMENT OPERATIONS

- A. Start units before beginning any disturbance of ACM occurs. After work begins, the units shall run continuously, maintaining 4 actual air changes per hour at a negative pressure differential of -0.02" water column gauge, for the duration of the work until a final visual clearance and final air clearance has been successfully completed.
No negative air units shall be shut down at any time unless authorized by the Engineer, verbally and in writing.
- B. Abatement work shall begin at a location farthest from the units and proceed towards them. If an electric failure occurs, the Competent Person shall stop all abatement work and immediately begin wetting all exposed asbestos materials for the duration of the power outage. Abatement work shall not resume until power is restored and all units are operating properly again.
- C. The negative air machines shall continue to run after all work is completed and until a final visual clearance and a final air clearance has been successfully completed for that regulated area.

2.1.12 DISMANTLING THE SYSTEM

After completion of the final visual and final air clearance has been obtained by the VPIH/CIH, the units may be shut down. The unit exterior surfaces shall have been completely decontaminated; pre-filters are not to be removed and the units inlet/outlet sealed with 2 layers of 6 mil poly immediately after shut down. No filter removal shall occur at the VA site following successful completion of site clearance. OSHA/EPA/DOT asbestos shall be attached to the units.

2.2 CONTAINMENT BARRIERS AND COVERINGS IN THE REGULATED AREA

2.2.1 GENERAL

Seal off the perimeter to the regulated area to completely isolate the regulated area from adjacent spaces. All surfaces in the regulated area must be covered to prevent contamination and to facilitate clean-up. Should adjacent areas become contaminated as a result of the work, shall immediately stop work and clean up the contamination at no additional cost to the Owner.

2.2.2 PREPARATION PRIOR TO SEALING THE REGULATED AREA

Place all tools, scaffolding, materials and equipment needed for working in the regulated area prior to erecting any plastic sheeting.

2.2.3 CONTROLLING ACCESS TO THE REGULATED AREA

Access to the regulated area is allowed only through the personnel decontamination facility (PDF). All other means of access shall be eliminated and OSHA DANGER demarcation signs posted as required by OSHA. If the regulated area is adjacent to, or within view of an occupied area, provide a visual barrier of 6 mil opaque fire retardant poly to prevent building occupant observation. If the adjacent area is accessible to the public, the barrier must be solid and capable of withstanding the negative pressure.

2.2.4 CRITICAL BARRIERS

Completely separate any operations in the regulated area from adjacent areas using 2 layers of 6 mil fire retardant poly and duct tape. Individually seal with 2 layers of 6 mil poly and duct tape all HVAC openings into the regulated area. Individually seal all lighting fixtures, clocks, doors, windows, convectors, speakers, or any other objects/openings in the regulated area. Heat must be shut off any objects covered with poly.

2.2.5 PRIMARY BARRIERS

- A. Cover the regulated area with two layers of 6 mil fire retardant poly on the floors and two layers of 4 mil, fire retardant poly on the walls, unless otherwise directed in writing by the VA representative. Floor layers must form a right angle with the wall and turn up the wall at least 300 mm (12"). Seams must overlap at least 1800 mm (6') and must be spray glued and taped. Install sheeting so that layers can be removed independently from each other. Carpeting shall be covered with three layers of 6 mil poly. Corrugated cardboard sheets must be placed between the bottom and middle layers of poly. Mechanically support and seal with duct tape and glue all wall layers.
- B. Elevator doors must be covered with 2 layers of 6 mil fire retardant poly. The elevator door must be in a positively pressurized area outside the clean room of the PDF.
- C. If stairs and ramps are covered with 6 mil plastic, two layers must be used. Provide 19 mm (3/4") exterior grade plywood treads held in place with duct tape/glue on the plastic. Do not cover rungs or rails with any isolation materials.

2.2.6 SECONDARY BARRIERS

A loose layer of 6 mil poly shall be used as a drop cloth to protect the primary layers from debris generated during the abatement. This layer shall be replaced as needed during the work and at a minimum once per work day.

2.2.7 EXTENSION OF THE REGULATED AREA

If the enclosure of the regulated area is breached in any way that could allow contamination to occur, the affected area shall be included in the regulated area and constructed as per this section. Decontamination measures must be started immediately and continue until air monitoring indicates background levels are met.

2.3 MONITORING, INSPECTION AND TESTING

2.3.1 GENERAL

- A. Perform throughout abatement work monitoring, inspection and testing inside and around the regulated area in accordance with the OSHA requirements and these specifications. OSHA requires that the Employee exposure to asbestos must not exceed 0.1 fibers per cubic centimeter (f/cc) of air, averaged over an 8-hour work shift. The CPIH/CIH is responsible for and shall inspect and oversee the performance of the Contractor IH Technician. The IH Technician shall continuously inspect and monitor conditions inside the regulated area to ensure compliance with these specifications. In addition, the CPIH/CIH shall personally manage air sample collection, analysis, and evaluation for

personnel, regulated area, and adjacent area samples to satisfy OSHA requirements. Additional inspection and testing requirements are also indicated in other parts of this specification.

- B. The Owner will employ an independent industrial hygienist (VPIH/CIH) consultant and/or use its own IH to perform various services on behalf of the Owner. The VPIH/CIH will perform the necessary monitoring, inspection, testing, and other support services to ensure that VA patients, employees, and visitors will not be adversely affected by the abatement work, and that the abatement work proceeds in accordance with these specifications, that the abated areas or abated buildings have been successfully decontaminated. The work of the VPIH/CIH consultant in no way relieves the Contractor from their responsibility to perform the work in accordance with contract/specification requirements, to perform continuous inspection, monitoring and testing for the safety of their employees, and to perform other such services as specified. The cost of the VPIH/CIH and their services will be borne by the VA except for any repeat of final inspection and testing that may be required due to unsatisfactory initial results. Any repeated final inspections and/or testing, if required, will be paid for by the Contractor.
- C. If fibers counted by the VPIH/CIH during abatement work, either inside or outside the regulated area, utilizing the NIOSH 7400 air monitoring method, exceed the specified respective limits, the Contractor shall stop work. The Contractor may request confirmation of the results by analysis of the samples by TEM. Request must be in writing and submitted to the VA's representative. Cost for the confirmation of results will be borne by the Contractor for both the collection and analysis of samples and for the time delay that may/does result for this confirmation. Confirmation sampling and analysis will be the responsibility of the CPIH with review and approval of the VPIH/CIH. An agreement between the CPIH/CIH and the VPIH/CIH shall be reached on the exact details of the confirmation effort, in writing, including such things as the number of samples, location, collection, quality control on-site, analytical laboratory, interpretation of results and any follow-up actions. This written agreement shall be co-signed by the IH's and delivered to the VA's representative.

2.3.2 SCOPE OF SERVICES OF THE VPIH CONSULTANT

- A. The purpose of the work of the VPIH/CIH is to: assure quality; adherence to the specification; resolve problems; prevent the spread of contamination beyond the regulated area; and assure clearance at the end of the project. In addition, their work includes performing the final inspection and testing to determine whether the regulated area or building has been adequately decontaminated. All air monitoring is to be done utilizing PCM/TEM. The VPIH/CIH will perform the following tasks:
 - 1. Task 1: Establish background levels before abatement begins by collecting background samples. Retain samples for possible TEM analysis.
 - 2. Task 2: Perform continuous air monitoring, inspection, and testing outside the regulated area during actual abatement work to detect any faults in the regulated area isolation and any adverse impact on the surroundings from regulated area activities.
 - 3. Task 3: Perform unannounced visits to spot check overall compliance of work with contract/specifications. These visits may include any inspection, monitoring, and testing inside and outside the regulated area and all aspects of the operation except personnel monitoring.

4. Task 4: Provide support to the VA representative such as evaluation of submittals from the Contractor, resolution of conflicts, interpret data, etc.
 5. Task 5: Perform, in the presence of the VA representative, final inspection and testing of a decontaminated regulated area at the conclusion of the abatement to certify compliance with all regulations.
 6. Task 6: Issue certificate of decontamination for each regulated area and project report.
- B. All documentation, inspection results and testing results generated by the VPIH/CIH will be available to the Contractor for information and consideration. The Contractor shall cooperate with and support the VPIH/CIH for efficient and smooth performance of their work.
- C. The monitoring and inspection results of the VPIH/CIH will be used by the VA to issue any Stop Removal orders to the Contractor during abatement work and to accept or reject a regulated area or building as decontaminated..
- D. All air sampling and analysis data will be recorded on VA Form 10-0018.

2.3.3 MONITORING, INSPECTION AND TESTING BY CONTRACTOR CPIH/CIH

The Contractor's CPIH/CIH is responsible for managing all monitoring, inspections, and testing required by these specifications, as well as any and all regulatory requirements adopted by these specifications. The CPIH/CIH is responsible for the continuous monitoring of all subsystems and procedures which could affect the health and safety of the Contractor's personnel. Safety and health conditions and the provision of those conditions inside the regulated area for all persons entering the regulated area is the exclusive responsibility of the Contractor/Competent Person. The person performing the personnel and area air monitoring inside the regulated area shall be an IH Technician, who shall be trained and shall have specialized field experience in sampling and analysis. The IH Technician shall have successfully completed a NIOSH 582 Course or equivalent and provide documentation. The IH Technician shall participate in the AIHA Asbestos Analysis Registry or participate in the Proficiency Analytic Testing program of AIHA for fiber counting quality control assurance. The IH Technician shall also be an accredited EPA AHERA/State Contractor/Supervisor or Abatement Worker and Building Inspector. The IH Technician shall have participated in five abatement projects collecting personal and area samples as well as responsibility for documentation on substantially similar projects in size and scope. The analytic laboratory used by the Contractor to analyze the samples shall be AIHA accredited for asbestos PAT and approved by the VA prior to start of the project. A daily log, shall be maintained by the CPIH/CIH or IH Technician, documenting all OSHA requirements for air personal monitoring for asbestos in 29 CFR 1926.1101(f), (g) and Appendix A. This log shall be made available to the VA representative and the VPIH/CIH upon request. The log will contain, at a minimum, information on personnel or area samples, other persons represented by the sample, the date of sample collection, start and stop times for sampling, sample volume, flow rate, and fibers/cc. The CPIH/CIH shall collect and analyze samples for each representative job being done in the regulated area, i.e., removal, wetting, clean-up, and load-out. No fewer than two personal samples per shift shall be collected and one area sample per 1,000 square feet of regulated area where abatement is taking place and one sample per shift in the clean room area shall be collected. In addition to the continuous monitoring

required, the CPIH/CIH will perform inspection and testing at the final stages of abatement for each regulated area as specified in the CPIH/CIH responsibilities. Additionally, the CPIH/CIH will monitor and record pressure readings within the containment daily with a minimum of two readings at the beginning and at the end of a shift, and submit the data in the daily report.

2.4 ASBESTOS HAZARD ABATEMENT PLAN

The Contractor shall have established Asbestos Hazard Abatement Plan (AHAP) in printed form and loose leaf folder consisting of simplified text, diagrams, sketches, and pictures that establish and explain clearly the procedures to be followed during all phases of the work by the Contractor's personnel. The AHAP must be modified as needed to address specific requirements of this project and the specifications. The AHAP(s) shall be submitted for review and approval to the VA prior to the start of any abatement work. The minimum topics and areas to be covered by the AHAP(s) are:

- A. Minimum Personnel Qualifications.
- B. Contingency Plans and Arrangements.
- C. Security and Safety Procedures.
- D. Respiratory Protection/Personal Protective Equipment Program and Training.
- E. Medical Surveillance Program and Recordkeeping.
- F. Regulated Area Requirements - Containment Barriers/Isolation of Regulated Area.
- G. Decontamination Facilities and Entry/Exit Procedures (PDF and EWDF).
- H. Negative Pressure Systems Requirements.
- I. Monitoring, Inspections, and Testing.
- J. Removal Procedures for RACM and ACE.
- K. Removal Procedures for RACM discovered during building demolition shall be provided as per NESHAP.
- L. Removal of Contaminated Soil (if applicable).
- M. Abatement of crawlspaces and/or pipe tunnels if they exist within the facility.
- N. Disposal of RACM and ACE as per NESHAP; OSHA; and DOT for friable asbestos including NESHAP/DOT shipping papers example. Disposal requirements for non-friable waste, as per OSHA requirements.
- O. Regulated Area Decontamination/Clean-up.
- P. Regulated Area Visual and Air Clearance, if required.
- Q. Project Completion/Closeout.

2.5 SUBMITTALS

2.5.1 PRE-CONSTRUCTION MEETING SUBMITTALS

Submit to the Engineer a minimum of 14 days prior to the pre-start meeting the following for review and approval. Meeting this requirement is a prerequisite for the pre-start meeting for this project:

- A. Submit a detailed work schedule for the entire project reflecting contract documents and the phasing/schedule requirements from the CPM chart.
- B. Submit a staff organization chart showing all personnel who will be working on the project and their capacity/function. Provide their qualifications, training, accreditations, and licenses, as appropriate. Provide a copy of the "Certificate of Worker's

- Acknowledgment" and the "Affidavit of Medical Surveillance and Respiratory Protection" for each person.
- C. Submit Asbestos Hazard Abatement Plan developed specifically for this project, incorporating the requirements of the specifications, prepared, signed and dated by the CPIH/CIH.
 - D. Submit the specifics of the materials and equipment to be used for this project with manufacturer names, model numbers, performance characteristics, pictures/diagrams, and number available for the following:
 1. Supplied air system, negative air machines, HEPA vacuums, air monitoring pumps, calibration devices, pressure differential monitoring device and emergency power generating system.
 2. Waste water filtration system, shower system, containment barriers.
 3. Encapsulants, surfactants, hand held sprayers, airless sprayers, glovebags, and fire extinguishers.
 4. Respirators, protective clothing, personal protective equipment.
 5. Fire safety equipment to be used in the regulated area.
 - E. Submit the name, location, and phone number of the approved landfill; proof/verification the landfill is approved for ACM disposal; the landfill's requirements for ACM waste; the type of vehicle to be used for transportation; and name, address, and phone number of subcontractor, if used. Proof of asbestos training for transportation personnel shall be provided.
 - F. Submit required notifications and arrangements made with regulatory agencies having regulatory jurisdiction and the specific contingency/emergency arrangements made with local health, fire, ambulance, hospital authorities and any other notifications/arrangements.
 - G. Submit the name, location and verification of the laboratory and/or personnel to be used for analysis of air and/or bulk samples. Personal air monitoring must be done in accordance with OSHA 29 CFR 1926.1101(f) and Appendix A. And area or clearance air monitoring in accordance with EPA AHERA protocols.
 - H. Submit qualifications verification: Submit the following evidence of qualifications. Make sure that all references are current and verifiable by providing current phone numbers and documentation.
 1. Asbestos Abatement Company: Project experience within the past 3 years; listing projects first most similar to this project: Project Name; Type of Abatement; Duration; Cost; Reference Name/Phone Number; Final Clearance; Completion Date
 2. List of project(s) halted by owner, A/E, IH, regulatory agency in the last 3 years: Project Name; Reason; Date; Reference Name/Number; Resolution
 3. List asbestos regulatory citations (e.g., OSHA), notices of violations (e.g., Federal and state EPA), penalties, and legal actions taken against the company including and of the company's officers (including damages paid) in the last 3 years. Provide copies and all information needed for verification.
 - I. Submit information on personnel: Provide a resume; address each item completely; copies of certificates, accreditations, and licenses. Submit an affidavit signed by the CPIH/CIH stating that all personnel submitted below have medical records in accordance with OSHA 29 CFR 1926.1101(m) and 29 CFR 1910.20 and that the company has implemented a medical surveillance program and written respiratory protection program,

and maintains recordkeeping in accordance with the above regulations. Submit the phone number and doctor/clinic/hospital used for medical evaluations.

1. CPIH/CIH and IH Technician: Name; years of abatement experience; list of projects similar to this one; certificates, licenses, accreditations for proof of AHERA/OSHA specialized asbestos training; professional affiliations; number of workers trained; samples of training materials; samples of AHAP(s) developed; medical opinion; and current respirator fit test.
 2. Competent Person(s)/Supervisor(s): Number; names; social security numbers; years of abatement experience as Competent Person/Supervisor; list of similar projects in size/complexity as Competent Person/Supervisor; as a worker; certificates, licenses, accreditations; proof of AHERA/OSHA specialized asbestos training; maximum number of personnel supervised on a project; medical opinion (asbestos surveillance and respirator use); and current respirator fit test.
 3. Workers: Numbers; names; social security numbers; years of abatement experience; certificates, licenses, accreditations; training courses in asbestos abatement and respiratory protection; medical opinion (asbestos surveillance and respirator use); and current respirator fit test.
- J. Submit copies of State license for asbestos abatement; copy of insurance policy, including exclusions with a letter from agent stating in plain language the coverage provided and the fact that asbestos abatement activities are covered by the policy; copy of AHAP(s) incorporating the requirements of this specification; information on who provides your training, how often; who provides medical surveillance, how often; who performs and how is personal air monitoring of abatement workers conducted; a list of references of independent laboratories/IHs familiar with your air monitoring and AHAP(s); and copies of monitoring results of the five referenced projects listed and analytical method(s) used.
- K. Rented equipment must be decontaminated prior to returning to the rental agency.
- L. Submit, before the start of work, the manufacturer's technical data for all types of encapsulants, all MSDS and application instructions.

2.5.2 SUBMITTALS DURING ABATEMENT

- A. The Competent Person shall maintain and submit a daily log at the regulated area documenting the dates and times of the following: purpose, attendees and summary of meetings; all personnel entering/exiting the regulated area; document and discuss the resolution of unusual events such as barrier breaching, equipment failures, emergencies, and any cause for stopping work; representative air monitoring and results/TWA's/EL's. Submit this information daily to the VPIH/CIH.
- B. The CPIH/CIH shall document and maintain the inspection and approval of the regulated area preparation prior to start of work and daily during work:
1. Inspection and approval of the regulated area preparation prior to start of work and periodic during work.
 2. Removal of any poly barriers.
 3. Visual inspection/testing by the CPIH/CIH or IH Technician prior to application of lockdown encapsulant.
 4. Packaging and removal of ACM waste from regulated area.
 5. Disposal of ACM waste materials; copies of Waste Shipment Records/landfill receipts to the VA's representative on a weekly basis.

2.5.3 SUBMITTALS AT COMPLETION OF ABATEMENT

The CPIH/CIH shall submit a project report consisting of the daily log book requirements and documentation of events during the abatement project including Waste Shipment Records signed by the landfill's agent. It will also include information on the containment and transportation of waste from the containment with applicable Chain of Custody forms. The report shall include a certificate of completion, signed and dated by the CPIH/CIH, in accordance with Attachment #1. All clearance and perimeter area samples must be submitted. The VA Representative will retain the abatement report after completion of the project and provide copies of the abatement report to VAMC Office of Engineer and the Safety Office.

PART 3 - EXECUTION

3.1 PRE-ABATEMENT ACTIVITIES

3.1.1 PRE-ABATEMENT MEETING

The Owners representative, upon receipt, review, and substantial approval of all pre-abatement submittals and verification by the CPIH/CIH that all materials and equipment required for the project are on the site, will arrange for a pre-abatement meeting between the Contractor, the CPIH/CIH, Competent Person(s), the Owners representative, and the VPIH/CIH. The purpose of the meeting is to discuss any aspect of the submittals needing clarification or amplification and to discuss any aspect of the project execution and the sequence of the operation. The Contractor shall be prepared to provide any supplemental information/documentation to the Owner's representative regarding any submittals, documentation, materials or equipment. Upon satisfactory resolution of any outstanding issues, the Owner's representative will issue a written order to proceed to the Contractor. No abatement work of any kind described in the following provisions shall be initiated prior to the VA written order to proceed.

3.1.2 PRE-ABATEMENT INSPECTIONS AND PREPARATIONS

- A. Perform all preparatory work for the first regulated area in accordance with the approved work schedule and with this specification.
- B. Upon completion of all preparatory work, the CPIH/CIH will inspect the work and systems and will notify the Owner's representative when the work is completed in accordance with this specification. The Owner's representative may inspect the regulated area and the systems with the VPIH/CIH and may require that upon satisfactory inspection, the Contractor's employees perform all major aspects of the approved AHAP, especially worker protection, respiratory systems, contingency plans, decontamination procedures, and monitoring to demonstrate satisfactory operation. The operational systems for respiratory protection and the negative pressure system shall be demonstrated for proper performance.
- C. The CPIH/CIH shall document the pre-abatement activities described above and deliver a copy to the Owner's representative.
- D. Upon satisfactory inspection of the installation of and operation of systems the Owner's representative will notify the Contractor in writing to proceed

with the asbestos abatement work in accordance with this specification and all applicable regulations.

3.1.3 PRE-ABATEMENT CONSTRUCTION AND OPERATIONS

- A. Perform all preparatory work for the first regulated area in accordance with the approved work schedule and with this specification.
- B. Upon completion of all preparatory work, the CPIH will inspect the work and systems and will notify the Owner's representative when the work is completed in accordance with this specification. The Owner's representative may inspect the regulated area and the systems with the VPIH and may require that upon satisfactory inspection, the abatement contractor's employees perform all major aspects of the approved AHAP, especially worker protection, respiratory systems, contingency plans, decontamination procedures, and monitoring to demonstrate satisfactory operation. The operational systems for respiratory protection and the negative pressure system shall be demonstrated for proper performance.
- C. The CPIH/CIH shall document the pre-abatement activities described above and deliver a copy to the Owner's representative.
- D. Upon satisfactory inspection of the installation of and operation of systems the Owner's representative will notify the abatement contractor in writing to proceed with the asbestos abatement work in accordance with this specification.

3.2 REGULATED AREA PREPARATIONS

- A. Post OSHA DANGER signs meeting the specifications of OSHA 29 CFR 1926.1101 at any location and approaches to the regulated area where airborne concentrations of asbestos may exceed the PEL. Signs shall be posted at a distance sufficiently far enough away from the regulated area to permit any personnel to read the sign and take the necessary measures to avoid exposure. Additional signs will be posted following construction of the regulated area enclosure.
- B. Shut down and lock out/tag out electric power to the regulated area. Provide temporary power and lighting. Insure safe installation including GFCI of temporary power sources and equipment by compliance with all applicable electrical code and OSHA requirements for temporary electrical systems.
- C. Shut down and lock out/tag out heating, cooling, and air conditioning system (HVAC) components that are in, supply or pass through the regulated area. Investigate the regulated area and agree on pre-abatement condition with the VA's representative. Seal all intake and exhaust vents in the regulated area with duct tape and 2 layers of 6-mil poly. Also, seal any seams in system components that pass through the regulated area. Remove all contaminated HVAC system filters and place in labeled 6-mil polyethylene disposal bags for staging and eventual disposal as asbestos waste.
- D. The Contractor shall provide sanitary facilities for abatement personnel and maintain them in a clean and sanitary condition throughout the abatement project.

3.3 CONTAINMENT COVERINGS FOR THE REGULATED AREA

3.3.1 GENERAL

Seal off the perimeter of the regulated area to completely isolate the abatement project and to contain all airborne asbestos contamination created by the abatement activities.

Should the adjacent area past the regulated area become contaminated due to improper work activities, the abatement contractor shall suspend work inside the regulated area, continue wetting, and clean the adjacent areas in accordance with procedures described in these specifications. Any and all costs associated with the adjacent area cleanup shall not be borne by the Owner.

3.3.2 PREPARATION PRIOR TO SEALING OFF

Place all materials, equipment and supplies necessary to isolate the regulated area inside the regulated area. Remove all movable material/equipment as described above and secure all unmovable material/equipment as described above. Properly secured material/equipment shall be considered to be outside the regulated area.

3.3.3 CONTROLLING ACCESS TO THE REGULATED AREA

Access to the regulated area shall be permitted only through the PDF. All other means of access shall be closed off by proper sealing and DANGER signs posted on the clean side of the regulated area where it is adjacent to or within view of any occupiable area. An opaque visual barrier of at least 4 mil poly shall be provided so that the abatement work is not visible to any building occupants. If the area adjacent to the regulated area is accessible to the public, construct a solid barrier on the public side of the sheeting for protection and isolation of the project. The barrier shall be constructed with nominal 2" x 4" (50mm x 100mm) wood or metal studs 16" (400mm) on centers, securely anchored to prevent movement and covered with a minimum of 1/2" (12.5mm) plywood. Provide an appropriate number of OSHA DANGER signs for each visual and physical barrier. Any alternative method must be given a written approval by the VA's representative.

3.3.4 CRITICAL BARRIERS

The regulated area must be completely separated from the adjacent areas, and the outside by at least 2 layers of 6 mil, fire retardant poly and duct tape/spray adhesive. Individually seal all supply and exhaust ventilation openings, lighting fixtures, clocks, doorways, windows, convectors, speakers, and other openings into the regulated area with 2 layers of 6 mil fire retardant poly, and taped securely in place with duct tape/spray adhesive. Critical barriers must remain in place until all work and clearances have been completed. Light fixtures shall not be operational during abatement. Auxiliary lighting shall be provided. If needed, provide plywood squares 6" x 6" x 3/8" (150mm x 150mm x 18mm) held in place with one 6d smooth masonry/galvanized nail driven through the center of the plywood square and duct tape on the poly so as to clamp the poly to the wall/surface. Locate plywood squares at each end, corner, and 4' (1200mm) maximum on centers.

3.3.5 PRIMARY/SECONDARY BARRIERS

- A. Floors: Cover the floor of the regulated area with at least two layers of 6 mil, fire retardant poly, turning up the walls at least 12" (300mm). The poly must form a right angle at the floor-wall juncture so there is no radius which can be stepped on, possibly causing detachment of the poly. Spray glue and duct tape must both be used for floor seams. Floor seams must overlap a minimum of 6 feet (1800mm) or be at right angles to each other. The top sheet of poly must be able to be removed independently of the bottom

layer. A third loose layer of 6 mil poly shall be used in the area of removal and periodically picked up to reduce contamination of the initial layers.

- B. Walls: All walls in the regulated area, including critical barriers, shall be covered with 2 layers of 4 mil fire retardant poly, mechanically supported and sealed with duct tape and/or spray glue. Tape all joints, including the floor-wall joint, with duct tape/spray glue. All wall joints must overlap at least 6 feet (1800mm).

NOTE: The VA or State requirements may require the use of 6 mil poly.

- C. Stairs and Ramps: Stairs or ramps covered in poly must be provided with 3/4" (36mm) exterior grade plywood treads securely held in place over the poly. Do not cover stairs or ramps with unsecured poly. Do not cover rungs or rails with any protective materials.

3.3.6 EXTENSION OF THE REGULATED AREA

If the regulated area barrier is breached in any manner that could allow the passage of asbestos fibers or debris, the Competent Person shall immediately stop work, continue wetting, and proceed to extend the regulated area to enclose the affected area as per procedures described in this specification. If the affected area cannot be enclosed, decontamination measures and cleanup shall start immediately. All personnel shall be isolated from the affected area until decontamination/cleanup is completed as verified by visual inspection and air monitoring. Air monitoring at completion must indicate background levels.

3.4 REMOVAL OF RACM AND ACE

3.4.1 WETTING MATERIALS

- A. Use amended water for the wetting of ACM prior to removal. The Competent Person shall assure the wetting of ACM meets the definition of "adequately wet" in the EPA NESHAP regulation for the duration of the project. A removal encapsulant may be used instead of amended water with written approval of the Owner's representative.
- B. Amended Water: Provide water to which a surfactant has been added shall be used to wet the ACM and reduce the potential for fiber release during disturbance of ACM. The mixture must be equal to or greater than the wetting provided by water amended by a surfactant consisting one ounce of 50% polyoxyethylene ester and 50% polyoxyethylene ether mixed with 5 gallons (19L) of water.

3.4.2 WET REMOVAL OF ACM OTHER THAN AMOSITE

- A. Adequately and thoroughly wet the ACM to be removed prior to removal to reduce/prevent fiber release to the air. Adequate time must be allowed for the amended water to saturate the ACM. Abatement personnel must not disturb dry ACM. Use a fine spray of amended water or removal encapsulant. Saturate the material sufficiently to wet to the substrate without causing excessive dripping. The material must be sprayed repeatedly/continuously during the removal process in order to maintain adequately wet conditions. Removal encapsulants must be applied in accordance with the manufacturer's written instructions. Perforate or carefully separate, using wet methods, an outer covering that is painted or jacketed in order to allow penetration and wetting of the material. Where necessary, carefully remove covering while wetting to minimize fiber release. **In no event shall dry removal occur except in the case of electrical hazards or a greater safety issue is possible!**

- B. If ACM does not wet well with amended water due to coating or jacketing, remove as follows:
1. Mist work area continuously with amended water whenever necessary to reduce airborne fiber levels.
 2. Remove saturated ACM in small sections. Do not allow material to dry out. As material is removed, bag material, while still wet into disposal bags. Twist the bag neck tightly, bend over (gooseneck) and seal with a minimum of three tight wraps of duct tape. Clean /decontaminate the outside of the bag of any residue and move to washdown station adjacent to W/EDF.
 3. Fireproofing or Architectural Finish on Scratch Coat: Spray with a fine mist of amended water or removal encapsulant. Allow time for saturation to the substrate. Do not oversaturate causing excess dripping. Scrape material from substrate. Remove material in manageable quantities and control falling to staging or floor. If the falling distance is over 20 feet (6 meters), use a drop chute to contain material through descent. Remove residue remaining on the scratch coat after scraping is done using a stiff bristle hand brush. If a removal encapsulant is used, remove residue completely before the encapsulant dries. Periodically re-wet the substrate with amended water as needed to prevent drying of the material before the residue is removed from the substrate.
 4. Fireproofing or Architectural Finish on Wire Lath: Spray with a fine mist of amended water or removal encapsulant. Allow time to completely saturate the material. Do not oversaturate causing excess dripping. If the surface has been painted or otherwise coated, cut small holes as needed and apply amended water or removal encapsulant from above. Cut saturated wire lath into 2' x 6' (50mm x 150mm) sections and cut hanger wires. Roll up complete with ACM, cover in burlap and hand place in disposal bag. Do not drop to floor. After removal of lath/ACM, remove any overspray on decking and structure using stiff bristle nylon brushes. Depending on hardness of overspray, scrapers may be needed for removal.
 5. Pipe/Tank/Vessel/Boiler Insulation: Remove the outer layer of wrap while spraying with amended water in order to saturate the ACM. Spray ACM with a fine mist of amended water or removal encapsulant. Allow time to saturate the material to the substrate. Cut bands holding pre-formed pipe insulation sections. Slit jacketing at the seams, remove and hand place in a disposal bag. Do not allow dropping to the floor. Remove molded fitting insulation/mud in large pieces and hand place in a disposal bag. Remove any residue on pipe or fitting with a stiff bristle nylon brush. In locations where pipe fitting insulation is removed from fibrous glass or other non-asbestos insulated straight runs of pipe, remove fibrous material at least 6" from the point it contacts the ACM.

3.4.3 GLOVEBAG REMOVAL PROCEDURES

GENERAL: All applicable OSHA requirements for glovebag removal shall be followed. The Contractor's AHAP for glovebag removal shall minimally meet the above requirements.

3.5 DISPOSAL OF RACM AND ACE WASTE MATERIALS

3.5.1 GENERAL

The Owner must be notified at least 24 hours in advance of any waste removed from the containment. Dispose of waste ACM and debris which is packaged in accordance with these specifications, OSHA, EPA and DOT. The landfill requirements for packaging must also be met. Transport will be in compliance with 49 CFR 100-185 regulations. Disposal shall be done at an approved landfill. Disposal of non-friable ACM shall be done in accordance with applicable regulations..

3.5.2 PROCEDURES

- A. Asbestos waste shall be packaged and moved through the W/EDF into a covered transport container in accordance with procedures in this specification. Waste shall be double-bagged prior to disposal. Wetted waste can be very heavy. Bags shall not be overfilled. Bags shall be securely sealed to prevent accidental opening and/or leakage. The top shall be tightly twisted and goose necked prior to tightly sealing with at least three wraps of duct tape. Ensure that unauthorized persons do not have access to the waste material once it is outside the regulated area. All transport containers must be covered at all times when not in use. NESHAP signs must be on containers during loading and unloading. Material shall not be transported in open vehicles. If drums are used for packaging, the drums shall be labeled properly and shall not be re-used.
- B. Waste Load Out: Waste load out shall be done in accordance with the procedures in W/EDF Decontamination Procedures. Bags shall be decontaminated on exterior surfaces by wet cleaning and/or HEPA vacuuming before being placed in the second bag.
- C. Asbestos waste with sharp edged components, i.e., nails, screws, lath, strapping, tin sheeting, jacketing, metal mesh, etc., which might tear poly bags shall be wrapped securely in burlap before packaging and, if needed, use a poly lined fiber drum as the second container, prior to disposal.
- D. The Owner will be notified of any waste removed from the containment prior to 24 hours.

3.6 PROJECT DECONTAMINATION

3.6.1 GENERAL

The entire work related to project decontamination shall be performed under the close supervision and monitoring of the CPIH/CIH.

3.6.2 REGULATED AREA CLEARANCE

Air testing and other requirements which must be met before release of the Abatement Contractor are specified in Final Testing Procedures.

3.6.3 WORK DESCRIPTION

Decontamination includes the cleaning and clearance of the air in the regulated area and the decontamination and removal of the enclosures/facilities installed prior to the abatement work including primary/critical barriers, PDF and EWDF facilities, and negative pressure systems.

3.6.4 PRE-DECONTAMINATION CONDITIONS

- A. Before decontamination starts, all ACM and ACE from the regulated area shall be removed, all waste collected and removed, and the secondary barrier of poly removed and disposed of along with any gross debris generated by the work.
- B. At the start of decontamination, the following shall be in place:
 - 1. Primary barriers consisting of two layers of 6 mil poly on the floor and on the walls.
 - 2. Critical barriers consisting of two layers of 6 mil poly which is the sole barrier between the regulated area and the rest of the building or outside.
 - 3. Critical barrier poly over lighting fixtures, clocks, HVAC openings, doorways, windows, convectors, speakers and other openings in the regulated area.
 - 4. Decontamination facilities for personnel and equipment in operating condition and the negative pressure system in operation.

3.6.5 CLEANING

Carry out a first cleaning of all surfaces of the regulated area including items of remaining poly sheeting, tools, scaffolding, ladders/staging by wet methods and/or HEPA vacuuming. Do not use dry dusting/sweeping/air blowing methods. Use each surface of a wetted cleaning cloth one time only and then dispose of as contaminated waste. Continue this cleaning until there is no visible residue from abated surfaces or poly or other surfaces. Remove all filters in the air handling system and dispose of as ACM waste in accordance with these specifications. The negative pressure system shall remain in operation during this time. Additional cleaning(s) may be needed as determined by the CPIH/VPIH/CIH.

3.7 VISUAL INSPECTION AND AIR CLEARANCE TESTING

3.7.1 GENERAL

Notify the Owner's representative 24 hours in advance for the performance of the visual inspection and air clearance testing, if required. The visual inspection and air clearance testing, if needed, will be performed by the VPIH after the CPIH has performed final air clearance testing, if needed.

3.7.2 VISUAL INSPECTION

The CPIH/CIH and VPIH/CIH will perform a thorough and detailed visual inspection at the end of the cleaning to determine whether there is any visible residue in the regulated area. If the visual inspection is acceptable, the CPIH/CIH will perform pre-clearance sampling using aggressive clearance as detailed in 40 CFR 763 Subpart E (AHERA) Appendix A (III)(B)(7)(d). If the sampling results show values below 0.01 f/cc, then the Contractor shall notify the Owner's representative of the results with a brief report from the CPIH/CIH documenting the inspection and sampling results and a statement verifying that the regulated area is ready for lockdown encapsulation. The Owner reserves the right to utilize their own VPIH/CIH to perform a pre-clearance inspection and testing for verification.

3.7.3 AIR CLEARANCE TESTING

- A. Since the areas will not be re-occupied by personnel after the completion of the abatement, air clearance testing is not required under OSHA/EPA AHERA. States may have rules for clearance testing that might require testing. Consult State rules for the facility and perform clearance testing if needed. After an acceptable visual inspection by the VPIH and the VPIH will perform the final testing. If the release criteria are not met, the Abatement Contractor shall repeat the final cleaning and continue decontamination procedures. Additional inspection and testing will be done at the expense of the Abatement Contractor.
- B. If release criteria are met, proceed to perform the abatement closeout and to issue the certificate of completion in accordance with these specifications.

3.7.4 AIR CLEARANCE PROCEDURES

- A. Contractor's Release Criteria: Work in a regulated area is complete when the regulated area is visually clean and airborne fiber levels have been reduced to or below 0.01 f/cc, as measured by PCM methods, if required.
- B. Final Clearance Sampling: If required, the VPIH will secure samples and analyze them according to the NIOSH 7400 method. Samples must be confirmed at an AIHA accredited laboratory if samples are analyzed on-site.

3.7.5 CLEARANCE SAMPLING USING PCM

- A. If required, and after the CPIH/CIH has provided clearance monitoring, the VPIH will perform background, adjacent area, and regulated area samples during construction, and clearance samples as directed by the Owner's Representative.
- B. The NIOSH 7400 method will be used for clearance sampling with a minimum collection volume based on a fiber density of 100 to 1300 fibers/sq.mm, (0.79 - 10.2 fibers/field) and a minimum detection limit of 0.005 f/cc or less.

3.8 ABATEMENT CLOSEOUT AND CERTIFICATE OF COMPLIANCE

3.8.1 COMPLETION OF ABATEMENT WORK

After thorough decontamination, seal negative air machines with 2 layers of 6 mil poly and duct tape to form a tight seal at the intake/outlet ends before removal from the regulated area. Complete asbestos abatement work upon meeting the regulated area visual and air clearance criteria and fulfilling the following:

- A. Remove all equipment and materials from the project area.
- B. Dispose of all packaged ACM waste as required.
- C. Repair or replace all interior finishes damaged during the abatement work, as required.
- D. Fulfill other project closeout requirements as required in this specification.

3.8.2 CERTIFICATE OF COMPLETION BY CONTRACTOR

The CPIH/CIH shall complete and sign the "Certificate of Completion" in accordance with Attachment 1 at the completion of the abatement and decontamination of the regulated area.

3.8.3 WORK SHIFTS

All work shall be done during normal business hours (8:00 AM to 4:30 PM) Monday - Friday excluding Federal Holidays. Any change in the work schedule must be approved in writing by the Owner's Representative.

ATTACHMENT #1
CERTIFICATE OF COMPLETION

DATE: _____ Project #: _____
PROJECT NAME: _____ Abatement Contractor: _____
ADDRESS: _____

1. I certify that I have personally inspected, monitored and supervised the abatement work of (specify regulated area or Building):
which took place from / / to / /
2. That throughout the work all applicable requirements/regulations and the specifications were met.
3. That any person who entered the regulated area was protected with the appropriate personal protective equipment and respirator and that they followed the proper entry and exit procedures and the proper operating procedures for the duration of the work.
4. That all employees of the Abatement Contractor engaged in this work were trained in respiratory protection, were experienced with abatement work, had proper medical surveillance documentation, were fit-tested for their respirator, and were not exposed at any time during the work to asbestos without the benefit of appropriate respiratory protection.
5. That I performed and supervised all inspection and testing specified and required by applicable regulations and Owner's specifications.
6. That the conditions inside the regulated area were always maintained in a safe and healthy condition and the maximum fiber count never exceeded 0.5 f/cc, except as described below.
7. That all abatement work was done in accordance with OSHA requirements and the manufacturer's recommendations.

CPIH/CIH Signature/Date:

CPIH/CIH Print Name:

Abatement Contractor Signature/Date:

Abatement Contractor Print Name:

ATTACHMENT #2

CERTIFICATE OF WORKER'S ACKNOWLEDGMENT

PROJECT NAME: _____ DATE: _____

PROJECT ADDRESS: _____

ABATEMENT CONTRACTOR'S NAME: _____

WORKING WITH ASBESTOS CAN BE HAZARDOUS TO YOUR HEALTH. INHALING ASBESTOS HAS BEEN LINKED WITH VARIOUS TYPES OF CANCERS. IF YOU SMOKE AND INHALE ASBESTOS FIBERS, YOUR CHANCES OF DEVELOPING LUNG CANCER IS GREATER THAN THAT OF THE NON-SMOKING PUBLIC.

Your employer's contract with the owner for the above project requires that: You must be supplied with the proper personal protective equipment including an adequate respirator and be trained in its use. You must be trained in safe and healthy work practices and in the use of the equipment found at an asbestos abatement project. You must receive/have a current medical examination for working with asbestos. These things shall be provided at no cost to you. By signing this certificate you are indicating to the owner that your employer has met these obligations.

RESPIRATORY PROTECTION: I have been trained in the proper use of respirators and have been informed of the type of respirator to be used on the above indicated project. I have a copy of the written Respiratory Protection Program issued by my employer. I have been provided for my exclusive use, at no cost, with a respirator to be used on the above indicated project.

TRAINING COURSE: I have been trained by a third party, State/EPA accredited trainer in the requirements for an AHERA/OSHA Asbestos Abatement Worker training course, 32 hours minimum duration. I currently have a valid State accreditation certificate. The topics covered in the course include, as a minimum, the following:

- Physical Characteristics and Background Information on Asbestos
- Potential Health Effects Related to Exposure to Asbestos
- Employee Personal Protective Equipment
- Establishment of a Respiratory Protection Program
- State of the Art Work Practices
- Personal Hygiene
- Additional Safety Hazards
- Medical Monitoring
- Air Monitoring
- Relevant Federal, State and Local Regulatory Requirements, Procedures, and Standards
- Asbestos Waste Disposal

MEDICAL EXAMINATION: I have had a medical examination within the past 12 months which was paid for by my employer. This examination included: health history, occupational history,

pulmonary function test, and may have included a chest x-ray evaluation. The physician issued a positive written opinion after the examination.

Signature: _____

Printed Name: _____

Social Security Number: _____

Witness: _____

ATTACHMENT #3

AFFIDAVIT OF MEDICAL SURVEILLANCE, RESPIRATORY PROTECTION AND TRAINING/ACCREDITATION

PROJECT NAME AND NUMBER: _____

MEDICAL FACILITY: _____

ABATEMENT CONTRACTOR'S NAME AND ADDRESS: _____

1. I verify that the following individual

Name: _____ Social Security Number: _____

who is proposed to be employed in asbestos abatement work associated with the above project by the named Abatement Contractor, is included in a medical surveillance program in accordance with 29 CFR 1926.1101(m), and that complete records of the medical surveillance program as required by 29 CFR 1926.1101(m)(n) and 29 CFR 1910.20 are kept at the offices of the Abatement Contractor at the following address.

Address: _____

2. I verify that this individual has been trained, fit-tested and instructed in the use of all appropriate respiratory protection systems and that the person is capable of working in safe and healthy manner as expected and required in the expected work environment of this project.

3. I verify that this individual has been trained as required by 29 CFR 1926.1101(k). This individual has also obtained a valid State accreditation certificate. Documentation will be kept on-site.

4. I verify that I meet the minimum qualifications criteria of the specifications for a CPIH.

Signature of CPIH/CIH: _____ Date: _____

Printed Name of CPIH/CIH: _____

Signature of Contractor: _____ Date: _____

Printed Name of Contractor: _____

ATTACHMENT #4

ABATEMENT CONTRACTOR/COMPETENT PERSON(S) REVIEW AND ACCEPTANCE OF THE ASBESTOS SPECIFICATIONS

Project Location: _____
Project #: _____
Project Description: _____

This form shall be signed by the Asbestos Abatement Contractor Owner and the Asbestos Abatement Contractor's Competent Person(s) prior to any start of work related to this Specification. If the Asbestos Abatement Contractor's/Competent Person(s) has not signed this form, they shall not be allowed to work on-site.

I, the undersigned, have read Owner's Asbestos Specification regarding the asbestos abatement requirements. I understand the requirements of the Owner's Asbestos Specification and agree to follow these requirements as well as all required rules and regulations of OSHA/EPA/DOT and State/Local requirements. I have been given ample opportunity to read the Owner's Asbestos Specification and have been given an opportunity to ask any questions regarding the content and have received a response related to those questions. I do not have any further questions regarding the content, intent and requirements of the Owner's Asbestos Specification.

At the conclusion of the asbestos abatement, I will certify that all asbestos abatement work was done in accordance with the Owner's Asbestos Specification and all ACM was removed properly and no fibrous residue remains on any abated surfaces.

Abatement Contractor Owner's Signature _____ Date _____

Abatement Contractor Competent Person(s) _____ Date _____

-- END- --

Section 02 83 10

Lead-Based Paint, Restricted Universal and Fly-dumping Waste Removal

PART 1 - GENERAL

1.1 SUMMARY OF THE WORK

1.1.1 CONTRACT DOCUMENTS AND RELATED REQUIREMENTS

Drawings, general provisions of the contract, including general and supplementary conditions and other specifications, shall apply to the work of this section. The contract documents show the work to be done under the contract and related requirements and conditions impacting the project. Related requirements and conditions include applicable codes and regulations, notices and permits, existing site conditions and restrictions on use of the site, requirements for partial owner occupancy during the work, coordination with other work and the phasing of the work. In the event the Contractor discovers a conflict in the contract documents and/or requirements or codes, the conflict must be brought to the immediate attention of the Owner for resolution. Whenever there is a conflict or overlap in the requirements, the most stringent shall apply.

1.1.2 EXTENT OF WORK

- A. In general the work shall include the removal and disposal of the lead-based paint, restricted universal waste and fly-dumping waste at the Factory Building, Warehouse Building and Office Building located 103 Railroad Avenue, Grayslake, Illinois. The fly-dumping waste shall include the waste located on the entire site.

1.1.3 RELATED WORK

- A. Not Used.

1.1.4 TASKS

The work tasks for the waste removal are summarized briefly as follows:

- A.. The lead-based paint and restricted universal waste is identifies by the Pre-Demolition Asbestos, Lead-based Paint and Restricted Universal Waste Assessment report. The waste removal is not limited to the areas indicated in the Report. The Report is included as Appendix A.
- B. Remove and dispose of the lead-based paint and restricted universal waste for the Factory Building and the Warehouse Building.
- C. Remove and dispose of the fly-dumping waste on the entire site.

1.1.5 CONTRACTOR USE OF PREMISES

- A. The Contractor and Contractor's personnel shall cooperate fully with the Owner's representative/consultant to facilitate efficient use of buildings and areas within building.

The Contractor shall perform the work in accordance with the Owner's specifications, drawings, phasing plan and in compliance with any/all applicable Federal, State and Local regulations and requirements.

- B. The Contractor shall minimize the disruption of access to the adjacent office buildings with trucks and equipment needed for completion of this project.

1.2 APPLICABLE CODES AND REGULATIONS

1.2.1 GENERAL APPLICABILITY OF CODES, REGULATIONS, AND STANDARDS

- A. All work under this contract shall be done in strict accordance with all applicable Federal, State, and local regulations. All applicable codes, regulations and standards are adopted into this specification and will have the same force and effect as this specification.
- B. The most recent edition of any relevant regulation, standard, document or code shall be in effect. Where conflict among the requirements or with these specifications exists, the most stringent requirement(s) shall be utilized.

1.2.2 PERMITS/LICENSES

- A. The Contractor shall obtain and pay for all required permits and licenses to perform the work as required by Federal, State, and Local regulations.
- B. The Contractor shall notify NESHAP at least 10 working days prior to the start of demolition.

1.2.3 POSTING AND FILING OF REGULATIONS

- A. Maintain two (2) copies of applicable federal, state, and local regulations. Post one copy of each at the regulated area where workers will have daily access to the regulations and keep another copy in the Contractor's office.

1.3 OWNER'S RESPONSIBILITIES

Prior to commencement of work:

- A. Notify occupants adjacent to the work areas of the project dates and requirements for relocation, if needed..

1.4 PRE-CONSTRUCTION MEETING

Prior to commencing the work, the Contractor shall meet with the Owner's representative to present and review, as appropriate, the project schedule, safety requirements submittals and access to the work area.

1.5 PROJECT COORDINATION

The Contractor shall coordinate with the Owner's representative, utility representatives and Federal, State and Local regulators regarding the project schedule, safety requirements and submittals.

PART 2 - PRODUCTS, MATERIALS AND EQUIPMENT

2.1 MATERIALS AND EQUIPMENT

2.1.1 GENERAL REQUIREMENTS

Prior to the start of work, the contractor shall provide and maintain a sufficient quantity of materials and equipment to assure continuous and efficient work throughout the duration of the project. Work shall not start unless the following items have been delivered to the site and verification has been submitted to the Owner's representative.

- A. All materials shall be delivered in their original package, container or bundle bearing the name of the manufacturer and the brand name (where applicable).
- B. Store all materials subject to damage off the ground, away from wet or damp surfaces and under cover sufficient enough to prevent damage or contamination. Flammable and combustible materials cannot be stored inside buildings.
- C. Adequate and appropriate PPE for the project and number of personnel/shifts shall be worn. All personal protective equipment issued must be based on a written hazard assessment in accordance with OSHA requirements.

2.2 SUBMITTALS

2.2.1 PRE-CONSTRUCTION MEETING SUBMITTALS

Submit to the Owner a minimum of 14 days prior to the pre-start meeting the following for review and approval. Meeting this requirement is a prerequisite for the pre-construction meeting for this project:

- A. Submit a detailed work schedule for the entire project reflecting contract documents and the phasing/schedule requirements from the CPM chart.
- B. Submit a staff organization chart showing all personnel who will be working on the project and their capacity/function.

PART 3 - EXECUTION

3.1 WASTE REMOVAL AND DISPOSAL

3.1.1 REMOVAL OF EXISTING RESTRICTED UNIVERSAL AND FLY-DUMPING WASTE

The restricted universal waste for the Factory Building, the Warehouse Building and Office Building and the fly-dumping waste shall be removed, stored and transported to a proper disposal site in accordance with all OSHA standards.

3.1.6 WORK HOURS

All work shall be done during administrative hours (7:00 AM to 4:30 PM) Monday - Friday excluding Federal Holidays. Any change in the work schedule must be approved by the Owner.

3.1.7 Warranty

All material and workmanship shall be warranted against defects in material and labor for 1 year after acceptance of the project by the Owner

VILLAGE OF GRAYSLAKE

CONTRACT FOR THE

PRE - BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY

CONTRACT [NO.]

ISSUED IN TRIPLICATE
BOND NO. 0685511

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS: that **M & O Environmental Company, P.O. Box 759, Homewood, Illinois 60430**, as Principal, hereinafter called Contractor, and **International Fidelity Insurance Company and Everest Reinsurance Company, One Newark Center, 20th Floor , Newark, NJ 07102**, as Co-Sureties, organized and existing under the laws of the State of New Jersey, hereinafter called Surety, are held and firmly bound unto the Village of Grayslake, 10 South Seymour Avenue, Grayslake, Illinois 60030, as Obligee, hereinafter called Owner, in the full and just sum of **One Hundred Seventy Six Thousand Dollars (\$176,000.00)**, for the payment of which sum of money well and truly to be made, Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents, said amount to include payment of actual costs and damages and for attorneys' fees, architectural fees, design fees, engineering fees, accounting fees, testing fees, consulting fees, administrative costs, court costs, interest and any other fees and expenses resulting from or incurred by reason of Contractor's failure to promptly and faithfully perform its contract with Owner, said contract being more fully described below, and to include attorneys' fees, court costs and administrative and other expenses necessarily paid or incurred in successfully enforcing performance of the obligation of Surety under this bond.

WHEREAS, Contractor has entered into a written agreement dated October 6 2016 with Owner entitled "Contract Agreement Between Village of Grayslake and **M & O Environmental Company** for the Construction of **PRE-BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY**" (the "Contract"), the terms and conditions of which are by this reference incorporated herein as though fully set forth herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH THAT if Contractor shall well, truly, and promptly perform all the undertakings, covenants, terms, conditions, and agreements of said Contractor under the Contract, including, but not limited to, Contractor's obligations under the Contract: (1) to provide, perform and complete at the Work Site and in the manner specified in the Contract all necessary work, labor, services, transportation, equipment, materials, apparatus, machinery, tools, fuels, gas, electric, water, waste disposal, information, data, and other means and items necessary for the design, if any, construction, and installation of the **PRE-BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY**, together with related attachments, equipment, and appurtenances thereto; (2) to procure and furnish all permits, licenses, and other governmental approvals and authorizations necessary in connection therewith except as otherwise expressly provided in the Special Conditions of Contract; (3) to procure and furnish all bonds and certificates and policies of insurance specified in the Contract; (4) to pay all applicable federal, state, and local taxes; (5) to do all other things

PERFORMANCE BOND

required of Contractor by the Contract; and (6) to provide, perform, and complete all of the foregoing in a proper and workmanlike manner and in full compliance with, and as required by and pursuant to, the Contract; all of which is herein referred to as the "Work," whether or not any of said Work enter into and become component parts of the improvement contemplated, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

Surety, for value received, hereby stipulates and agrees that no changes, modifications, alterations, omissions, deletions, additions, extensions of time, or forbearances on the part of either Owner or Contractor to the other in or to the terms of said Contract; in or to the schedules, plans, drawings, or specifications; in or to the method or manner of performance of the Work; in or to Owner-furnished facilities, equipment, materials, services, or sites; or in or to the mode or manner of payment therefor, shall in any way release Contractor and Surety or either or any of them, or any of their heirs, executors, administrators, successors, or assigns, or affect the obligations of Surety on this bond, all notice of any and all of the foregoing changes, modifications, alterations, omissions, deletions, additions, extensions of time, or forbearances, and notice of any and all defaults by Contractor or of Owner's termination of Contractor being hereby waived by Surety.

Notwithstanding anything to the contrary in the foregoing paragraph, in no event shall the obligations of Surety under this bond in the event of Contractor's default be greater than the obligations of Contractor under the Contract in the absence of such Contractor default.

In the event of a default or defaults by Contractor, Owner shall have the right to take over and complete the Contract upon 30 calendar days' written notice to Surety, in which event Surety shall pay Owner all costs incurred by Owner in taking over and completing the Contract.

At its option, Owner may instead request that Surety take over and complete the Contract, in which event Surety shall take reasonable steps to proceed promptly with completion no later than 30 calendar days from the date on which Owner notifies Surety that Owner wants Surety to take over and complete the Contract.

Owner shall have no obligation to actually incur any expense or correct any deficient performance of Contractor in order to be entitled to receive the proceeds of this bond.

No right of action shall accrue on this bond to or for the use of any person or corporation other than Owner or the heirs, executors, administrators, or successors of Owner.

PERFORMANCE BOND

Signed and sealed this 23rd day of September, 2016.

Attest/Witness:

By: Mary M. Coyle

Title: COMPLIANCE

PRINCIPAL: M & O Environmental Company

By: [Signature]

Title: VICE PRESIDENT

Attest/Witness:

By: Doris A. Bohlig

Title: See Attached Jurat

SURETY: International Fidelity Insurance Company

By: [Signature]

Christopher A. Borre
Attorney-in-Fact

Title: _____

Telephone: 630-416-4406

Attest/Witness:

By: Doris A. Bohlig

Title: See Attached Jurat

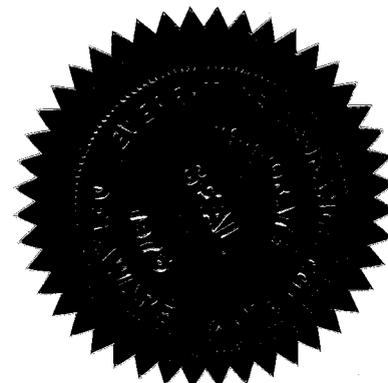
SURETY: Everest Reinsurance Company

By: [Signature]

Christopher A. Borre
Attorney-in-Fact

Title: _____

Telephone: 630-416-4406



POWER OF ATTORNEY

INTERNATIONAL FIDELITY INSURANCE COMPANY ALLEGHENY CASUALTY COMPANY

ONE NEWARK CENTER, 20TH FLOOR NEWARK, NEW JERSEY 07102-5207

KNOW ALL MEN BY THESE PRESENTS: That **INTERNATIONAL FIDELITY INSURANCE COMPANY**, a corporation organized and existing under the laws of the State of New Jersey, and **ALLEGHENY CASUALTY COMPANY** a corporation organized and existing under the laws of the State of New Jersey, having their principal office in the City of Newark, New Jersey, do hereby constitute and appoint

**KATHERINE M. BIEN, CHRISTOPHER A. BORRE, DEBORAH J. HEDERA, MARLENE MILLIGAN,
RYAN FORSYTH, DORIS A. BOHLIG, JOSEPH ZAHN, BRENDAN SMITH**

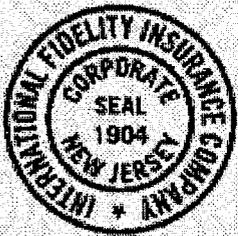
Naperville, IL.

their true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said **INTERNATIONAL FIDELITY INSURANCE COMPANY** and **ALLEGHENY CASUALTY COMPANY**, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by their regularly elected officers at their principal offices.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of the By-Laws of **INTERNATIONAL FIDELITY INSURANCE COMPANY** and **ALLEGHENY CASUALTY COMPANY** and is granted under and by authority of the following resolution adopted by the Board of Directors of **INTERNATIONAL FIDELITY INSURANCE COMPANY** at a meeting duly held on the 20th day of July, 2010 and by the Board of Directors of **ALLEGHENY CASUALTY COMPANY** at a meeting duly held on the 15th day of August, 2000:

"RESOLVED, that (1) the President, Vice President, Chief Executive Officer or Secretary of the Corporation shall have the power to appoint, and to revoke the appointments of, Attorneys-in-Fact or agents with power and authority as defined or limited in their respective powers of attorney, and to execute on behalf of the Corporation and affix the Corporation's seal thereto, bonds, undertakings, recognizances, contracts of indemnity and other written obligations in the nature thereof or related thereto; and (2) any such Officers of the Corporation may appoint and revoke the appointments of joint-control custodians, agents for acceptance of process, and Attorneys-in-fact with authority to execute waivers and consents on behalf of the Corporation; and (3) the signature of any such Officer of the Corporation and the Corporation's seal may be affixed by facsimile to any power of attorney or certification given for the execution of any bond, undertaking, recognizance, contract of indemnity or other written obligation in the nature thereof or related thereto, such signature and seals when so used whether heretofore or hereafter, being hereby adopted by the Corporation as the original signature of such officer and the original seal of the Corporation, to be valid and binding upon the Corporation with the same force and effect as though manually affixed."

IN WITNESS WHEREOF, **INTERNATIONAL FIDELITY INSURANCE COMPANY** and **ALLEGHENY CASUALTY COMPANY** have each executed and attested these presents on this 31st day of December, 2015.



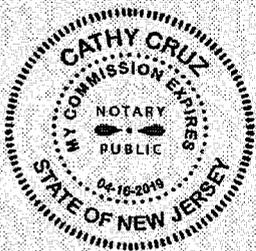
STATE OF NEW JERSEY
County of Essex

ROBERT W. MINSTER
Chief Executive Officer (International Fidelity Insurance Company) and President (Allegheny Casualty Company)



On this 31st day of December 2015, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of **INTERNATIONAL FIDELITY INSURANCE COMPANY** and **ALLEGHENY CASUALTY COMPANY**; that the seals affixed to said instrument are the Corporate Seals of said Companies; that the said Corporate Seals and his signature were duly affixed by order of the Boards of Directors of said Companies.

IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.



A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires April 16, 2019

CERTIFICATION

I, the undersigned officer of **INTERNATIONAL FIDELITY INSURANCE COMPANY** and **ALLEGHENY CASUALTY COMPANY** do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Sections of the By-Laws of said Companies as set forth in said Power of Attorney, with the originals on file in the home office of said companies, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand this 23rd day of September 2016

MARIA BRANCO, Assistant Secretary

POWER OF ATTORNEY
EVEREST REINSURANCE COMPANY
DELAWARE

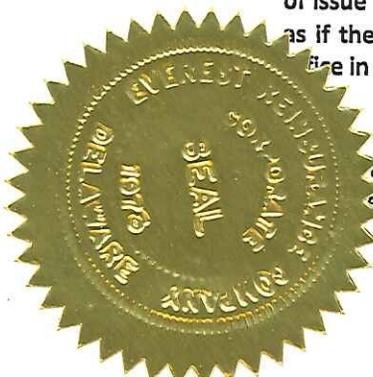
KNOW ALL MEN BY THESE PRESENTS: That the *Everest Reinsurance Company* of Liberty Corner, New Jersey, a corporation of the State of Delaware, having its principal office in the City of Liberty Corner, New Jersey, pursuant to the following Resolution, which was adopted by the Board of Directors of the said Corporation on February 15, 1996 to wit:

"RESOLVED, that the Chairman of the Board and Chief Executive Officer, the President, any Executive Vice President or any Senior Vice President is hereby authorized to execute Powers of Attorney appointing as attorneys-in-fact selected employees of certain surety companies who shall have the power for and on behalf of the Company to execute and affix the seal of the Company to surety contracts as co-surety."

Does hereby nominate, constitute and appoint Christopher A. Borre and Joseph Zahn of International Fidelity Insurance Company of Chicago, Illinois separately, employees of International Fidelity Insurance Company and Allegheny Casualty Company of Newark, New Jersey its true and lawful attorney(s)-in-fact, to make, execute, seal and deliver for and on its behalf, and as its act and deed: any and all bonds, undertakings or obligations in co-suretyship with International Fidelity Insurance Company or Allegheny Casualty Company whether or not there are other co-sureties, wherein the co-surety participation of *Everest Reinsurance Company* does not exceed FIFTEEN MILLION Dollars (\$ 15,000,000) and reserving to itself full power of substitution and revocation.

The execution of such bonds or undertakings in pursuance of these presents, within one year of the date of issue of these presents, shall be binding upon said Corporation, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Corporation at its office in Liberty Corner, State of New Jersey, in their own proper persons.

IN WITNESS WHEREOF, the *Everest Reinsurance Company* has caused its corporate seal to be hereunto and these presents to be signed by its Senior Vice President this 17th day of June in the year two thousand teen.



Attest:

Everest Reinsurance Company

Kevin Helewa

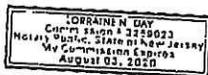
By *Dennis S. Alba*

Kevin Helewa, Assistant Secretary

Dennis S. Alba, Senior Vice President

STATE OF NEW JERSEY }
SS }
COUNTY OF SOMERSET }

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Liberty Corner, the day and year first above written.



My Commission expires

Corraine N. Day

Notary Public

STATE OF NEW JERSEY }
SS }
COUNTY OF SOMERSET }

I, ROBERT CRISTIANO of *Everest Reinsurance Company*, a corporation of the State of Delaware, do hereby certify that the above and foregoing is a full, true correct copy of the Power of Attorney issued by said *Everest Reinsurance Company*, and that I have compared same with the original and that it is a correct transcript there from and of the whole of the original. Said Power of Attorney is still in force and effect and has not been revoked. I do further certify that DENNIS S. ALBA, SENIOR VICE PRESIDENT is duly authorized to sign said Power of Attorney in accordance with the Resolution of the Board of Directors.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Corporation, at the City of Liberty Corner, this day of September 23, 2016.

Robert Cristiano

Vice President

Printed in U S A

PR-137A

Individual
Acknowledgement

State of _____ }
County of _____ } ss.

On this _____ day of _____, 20____, before me personally came

_____ to be known,
and known to me to be the individual described in and who executed the foregoing instrument, and acknowledged to me that he executed the same.

My commission expires _____ Notary Public

Firm
Acknowledgement

State of _____ }
County of _____ } ss.

On this _____ day of _____, 20____, before me personally came

_____ to be known to me

to be a member of the firm of _____
described in and who executed the foregoing instrument, and he thereupon acknowledged to me that he executed the same as and for the act and deed of said firm.

My commission expires _____ Notary Public

Corporation
Acknowledgement

State of _____ }
County of _____ } ss.

On this _____ day of _____, 20____, before me personally came

_____ to be known to me

who being by me duly sworn, did depose and say that he is the _____

of _____
the corporation described in and which executed the above instrument that he knows the seal of said corporation; the the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

My commission expires _____ Notary Public

Surety
Acknowledgement

State of Illinois }
County of DuPage } ss.

On this 23rd day of September, 2016, before me personally came

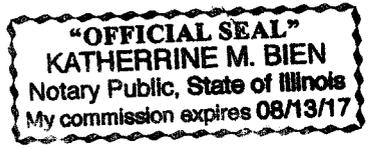
Christopher A. Borre _____ to be known, who, being by me duly sworn, did depose and say that

International Fidelity Insurance Company and Everest Reinsurance Company
he is attorney-in-fact of _____
the corporation described in and which executed the above instrument; that he knows the corporate seal of said corporation; that the seal affixed to the within instrument is such corporate seal, and that he signed the said instrument and affixed the said seal as Attorney-in-Fact by authority of the Board of Directors of said corporation and by authority of this office under the Standing Resolutions thereof.

My commission expires 8/13/17

Katharine M. Bien

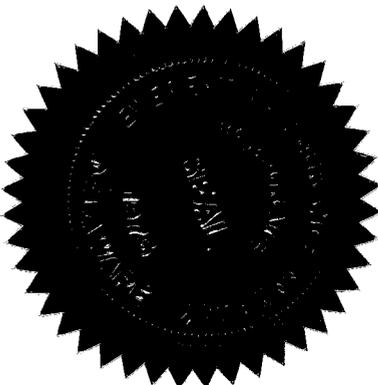
Notary Public



EVEREST REINSURANCE COMPANY
STATEMENTS OF FINANCIAL CONDITION

	December 31,	
	2015	2014
ASSETS		
Bonds	\$ 4,434,295,332	\$ 4,151,680,319
Stocks	229,920,031	233,906,836
Short-term investments	285,110,099	215,579,589
Other invested assets	2,491,699,181	2,578,118,080
Cash and cash equivalents	83,378,558	277,708,933
Accounts receivable-premium balances	1,320,329,172	1,286,442,534
Reinsurance recoverable	778,618,773	531,244,201
Other assets	356,288,893	341,520,158
Total Assets	\$ 9,979,640,039	\$ 9,616,200,650
LIABILITIES		
Loss and loss adjustment expense reserve	\$ 4,177,403,008	\$ 4,264,319,795
Unearned premium reserve	581,335,453	638,223,965
Ceded reinsurance premium payable (net of ceding commission)	1,242,819,232	1,033,674,220
Reserve for commissions, taxes and other liabilities	767,191,387	786,983,991
Total Liabilities	\$ 6,768,749,080	\$ 6,723,201,971
SURPLUS AND OTHER FUNDS		
Common capital stock	\$ 10,000,000	\$ 10,000,000
Contributed Surplus	974,988,997	963,348,844
Unassigned surplus	2,225,901,962	1,919,649,835
Total capital and surplus	\$ 3,210,890,959	\$ 2,892,998,679
Total Liabilities and Surplus	\$ 9,979,640,039	\$ 9,616,200,650

Bonds and stocks are valued on a basis promulgated by the National Association of Insurance Commissioners



INTERNATIONAL FIDELITY INSURANCE COMPANY
ONE NEWARK CENTER, 20TH FLOOR, NEWARK, NEW JERSEY 07102-5207

STATEMENT OF ASSETS, LIABILITIES, SURPLUS AND OTHER FUNDS

AT JUNE 30, 2016

<u>ASSETS</u>	
Bonds (Amortized Value)	\$99,593,771
Common Stocks (Market Value)	31,349,452
Mortgage Loans on Real Estate	369,245
Cash, Bank Deposits & Short Term Investments	33,495,828
Other Invested Assets	237,139
Unpaid Premiums & Assumed Balances	13,456,735
Reinsurance Recoverable from Reinsurers	960,062
Electronic Data Processing Equipment	495,141
Investment Income Due and Accrued	576,784
Net Deferred Tax Assets	4,071,273
Receivables from Parent, Subsidiaries & Affiliates	172,383
Health Care and Other amounts Receivable	6,329
Other Assets	<u>21,046,357</u>
TOTAL ASSETS	<u>\$205,830,499</u>
<u>LIABILITIES, SURPLUS & OTHER FUNDS</u>	
Losses (Reported Losses Net as to Reinsurance Ceded and Incurred But Not Reported Losses)	\$661,522
Reinsurance Payable on Paid Losses and Loss Adjustment Expenses	(260,073)
Loss Adjustment Expenses	3,102,913
Commissions Payable, Contingent Commissions & Other Similar Charges ..	(740,080)
Other Expenses (Excluding Taxes, Licenses and Fees)	2,443,958
Taxes, Licenses & Fees (Excluding Federal Income Tax)	158,054
Current Federal and Foreign Income Taxes	344,765
Unearned Premiums	34,984,787
Dividends Declared & Unpaid: Policyholders	800,000
Ceded Reinsurance Premiums Payable	3,496,956
Funds Held by Company under Reinsurance Treaties	1,031
Amounts Withheld by Company for Account of Others	68,717,077
Provision for Reinsurance	41,874
Payable to Parent, Subsidiaries and Affiliates	97,398
Other Liabilities	<u>6,512,077</u>
TOTAL LIABILITIES	<u>\$120,362,259</u>
Common Capital Stock	\$1,500,000
Gross Paid-in & Contributed Surplus	374,600
Surplus Notes	16,000,000
Unassigned Funds (Surplus)	69,351,472
Less: Treasury Stock at cost (39,063 shares common) (value incl. \$45.)	<u>1,757,835</u>
Surplus as Regards Policyholders	<u>\$85,468,237</u>
TOTAL LIABILITIES, SURPLUS & OTHER FUNDS	<u>\$205,830,496</u>

I, Francis L. Mitterhoff, President of INTERNATIONAL FIDELITY INSURANCE COMPANY, certify that the foregoing is a fair statement of Assets, Liabilities, Surplus and Other Funds of this Company, at the close of business, June 30, 2016, as reflected by its books and records and as reported in its statement on file with the Insurance Department of the State of New Jersey.



IN TESTIMONY WHEREOF, I have set my hand and affixed the seal of the Company, this 11th day of August, 2016.
INTERNATIONAL FIDELITY INSURANCE COMPANY

PERFORMANCE BOND

VILLAGE OF GRAYSLAKE

CONTRACT FOR THE

PRE - BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY

CONTRACT [NO.]

**ISSUED IN TRIPLICATE
BOND NO. _____**

LABOR AND MATERIAL PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS: that **M & O Environmental , P.O. Box 759, Homewood, Illinois 60430** as Principal, hereinafter called Contractor, and **International Fidelity Insurance Company and Everest Reinsurance Company, One Newark Center, 20th Floor , Newark, NJ 07102**, as Co-Sureties, a corporation organized and existing under the laws of the State of New Jersey, hereinafter called Surety, are held and firmly bound unto the Village of Grayslake, 10 South Seymour Avenue, Grayslake, Illinois 60030, as Obligee, hereinafter called Owner, for the use and benefit of itself and of claimants as hereinafter defined, in the full and just sum of **One Hundred Seventy Six Thousand Dollars (\$176,000.00)**, to be paid to it or the said claimants or its or their assigns, to which payment well and truly to be made Contractor and Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents, said amount to include attorney's fees, court costs, and administrative and other expenses necessarily paid or incurred in successfully enforcing performance of the obligation of Surety under this bond.

WHEREAS, Contractor has entered into a written agreement dated _____, with Owner entitled "Contract Agreement Between Village of Grayslake and M & O Environmental for the Construction of **PRE-BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY**" (the "Contract"), the terms and conditions of which are by this reference incorporated herein as though fully set forth herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH THAT if Contractor shall promptly pay or cause to be paid all sums of money that may be due to any claimant with respect to Contractor's obligations under the Contract: (1) to provide, perform, and complete at the Work Site and in the manner specified in the Contract all necessary work, labor, services, transportation, equipment, materials, apparatus, machinery, tools, fuels, gas, electric, water, waste disposal, information, data, and other means and items necessary for the design, if any, construction, and installation of the **PRE-DEMOLITION AT GRAYSLAKE GELATIN COMPANY**, together with related attachments, equipment, and appurtenances thereto; (2) to procure and furnish all permits, licenses, and other governmental approvals and authorizations necessary in connection therewith except as otherwise expressly provided in the Special Conditions of Contract; (3) to procure and furnish all bonds and certificates and policies of insurance specified in the Contract; (4) to pay all applicable federal, state, and local taxes; (5) to do all other things required of Contractor by the Contract; and (6) to provide, perform, and complete all of the foregoing in a proper and workmanlike manner and in full compliance with, and as required by and pursuant to, the Contract; all of which is herein referred to as the "Work,"

PERFORMANCE BOND

whether or not any of said Work enter into and become component parts of the improvement contemplated, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

For purpose of this bond, a claimant is defined as one having a direct contract with Contractor or with a subcontractor of Contractor to provide, perform or complete any part of the Work.

Contractor and Surety hereby jointly and severally agree that every claimant who has not had all just claims for the furnishing of any part of the Work paid in full, including, without limitation, all claims for amounts due for materials, lubricants, oil, gasoline, rentals of, or service or repairs on, machinery, equipment, and tools consumed or used in connection with the furnishing of any part of the Work, may sue on this bond for the use of such claimant, may prosecute the suit to final judgment for such sum or sums as may be justly due such claimant, and may have execution therein; provided, however, that Owner shall not be liable for the payment of any costs or expenses of any such suit. The provisions of 30 ILCS 550/1 and 30 ILCS 550/2 shall be deemed inserted herein, including the time limits within which notices of claim must be filed and actions brought under this bond.

Contractor and Surety hereby jointly agree that Owner may sue on this bond if Owner is held liable to, or voluntarily agrees to pay, any claimant directly, but nothing in this bond shall create any duty on the part of Owner to pay any claimant.

Surety, for value received, hereby stipulates and agrees that no changes, modifications, alterations, omissions, deletions, additions, extensions of time, or forbearances on the part of Owner or Contractor to the other in or to the terms of said Contract; in or to the schedules, plans, drawings, or specifications; in or to the method or manner of performance of the Work; in or to Owner-furnished facilities, equipment, materials, services, or sites; or in or to the mode or manner of payment therefor shall in any way release Contractor and Surety or either or any of them, or any of their heirs, executors, administrators, successors, or assigns, or affect the obligations of said Surety on this bond, all notice of any and all of the foregoing changes, modifications, alterations, omissions, deletions, additions, extensions of time, or forbearances and notice of any and all defaults by Contractor or of Owner's termination of Contractor being hereby waived by Surety.

PERFORMANCE BOND

Signed and sealed this 23rd day of September, 2016.

Attest/Witness:

By: Mary M. Costello

Title: COMPLIANCE

PRINCIPAL: M & O Environmental Company

By: [Signature]

Title: VICE-PRESIDENT

Attest/Witness:

By: Doris A. Bohlig

See Attached Jurat

Title: _____

SURETY: International Fidelity Insurance Company

By: [Signature]

Christopher A. Borre
Attorney-in-Fact

Title: _____

630-416-4406

Telephone: _____

Attest/Witness:

By: Doris A. Bohlig

See Attached Jurat

Title: _____

SURETY: Everest Reinsurance Company

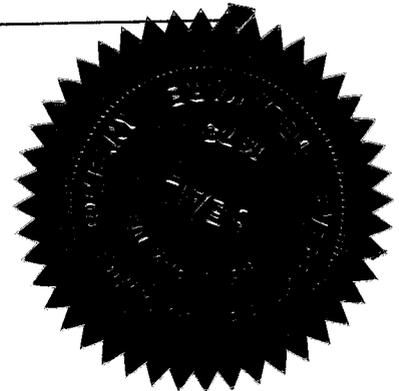
By: [Signature]

Christopher A. Borre
Attorney-in-Fact

Title: _____

630-416-4406

Telephone: _____



POWER OF ATTORNEY

INTERNATIONAL FIDELITY INSURANCE COMPANY ALLEGHENY CASUALTY COMPANY

ONE NEWARK CENTER, 20TH FLOOR NEWARK, NEW JERSEY 07102-5207

KNOW ALL MEN BY THESE PRESENTS: That INTERNATIONAL FIDELITY INSURANCE COMPANY, a corporation organized and existing under the laws of the State of New Jersey, and ALLEGHENY CASUALTY COMPANY a corporation organized and existing under the laws of the State of New Jersey, having their principal office in the City of Newark, New Jersey, do hereby constitute and appoint

KATHERINE M. BIEN, CHRISTOPHER A. BORRE, DEBORAH J. HEDERA, MARLENE MILLIGAN,
RYAN FORSYTH, DORIS A. BOHLIG, JOSEPH ZAHN, BRENDAN SMITH

Naperville, IL.

their true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by their regularly elected officers at their principal offices.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of the By-Laws of INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY and is granted under and by authority of the following resolution adopted by the Board of Directors of INTERNATIONAL FIDELITY INSURANCE COMPANY at a meeting duly held on the 20th day of July, 2010 and by the Board of Directors of ALLEGHENY CASUALTY COMPANY at a meeting duly held on the 15th day of August, 2000:

"RESOLVED, that (1) the President, Vice President, Chief Executive Officer or Secretary of the Corporation shall have the power to appoint, and to revoke, the appointments of, Attorneys-in-Fact or agents with power and authority as defined or limited in their respective powers of attorney, and to execute on behalf of the Corporation and affix the Corporation's seal thereto, bonds, undertakings, recognizances, contracts of indemnity and other written obligations in the nature thereof or related thereto; and (2) any such Officers of the Corporation may appoint and revoke the appointments of joint-control custodians, agents for acceptance of process, and Attorneys-in-fact with authority to execute waivers and consents on behalf of the Corporation; and (3) the signature of any such Officer of the Corporation and the Corporation's seal may be affixed by facsimile to any power of attorney or certification given for the execution of any bond, undertaking, recognizance, contract of indemnity or other written obligation in the nature thereof or related thereto, such signature and seals when so used whether heretofore or hereafter, being hereby adopted by the Corporation as the original signature of such officer and the original seal of the Corporation, to be valid and binding upon the Corporation with the same force and effect as though manually affixed."

IN WITNESS WHEREOF, INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY have each executed and attested these presents on this 31st day of December, 2015.



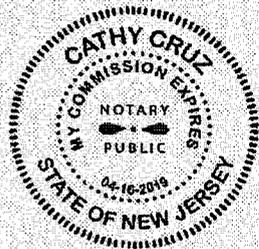
STATE OF NEW JERSEY
County of Essex

ROBERT W. MINSTER
Chief Executive Officer (International Fidelity Insurance Company) and President (Allegheny Casualty Company)



On this 31st day of December 2015, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY; that the seals affixed to said instrument are the Corporate Seals of said Companies; that the said Corporate Seals and his signature were duly affixed by order of the Boards of Directors of said Companies.

IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.



A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires April 16, 2019

CERTIFICATION

I, the undersigned officer of INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Sections of the By-Laws of said Companies as set forth in said Power of Attorney, with the originals on file in the home office of said companies, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand this 23rd day of September 2016

MARIA BRANCO, Assistant Secretary

POWER OF ATTORNEY
EVEREST REINSURANCE COMPANY
DELAWARE

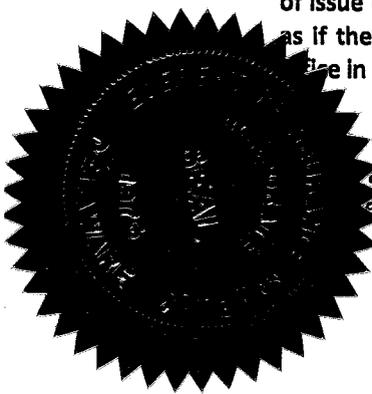
KNOW ALL MEN BY THESE PRESENTS: That the *Everest Reinsurance Company* of Liberty Corner, New Jersey, a corporation of the State of Delaware, having its principal office in the City of Liberty Corner, New Jersey, pursuant to the following Resolution, which was adopted by the Board of Directors of the said Corporation on February 15, 1996 to wit:

"RESOLVED, that the Chairman of the Board and Chief Executive Officer, the President, any Executive Vice President or any Senior Vice President is hereby authorized to execute Powers of Attorney appointing as attorneys-in-fact selected employees of certain surety companies who shall have the power for and on behalf of the Company to execute and affix the seal of the Company to surety contracts as co-surety."

Does hereby nominate, constitute and appoint Christopher A. Borre and Joseph Zahn of International Fidelity Insurance Company of Chicago, Illinois separately, employees of International Fidelity Insurance Company and Allegheny Casualty Company of Newark, New Jersey its true and lawful attorney(s)-in-fact, to make, execute, seal and deliver for and on its behalf, and as its act and deed: any and all bonds, undertakings or obligations in co-suretyship with International Fidelity Insurance Company or Allegheny Casualty Company whether or not there are other co-sureties, wherein the co-surety participation of *Everest Reinsurance Company* does not exceed FIFTEEN MILLION Dollars (\$ 15,000,000) and reserving to itself full power of substitution and revocation.

The execution of such bonds or undertakings in pursuance of these presents, within one year of the date of issue of these presents, shall be binding upon said Corporation, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Corporation at its office in Liberty Corner, State of New Jersey, in their own proper persons.

IN WITNESS WHEREOF, the *Everest Reinsurance Company* has caused its corporate seal to be hereunto and these presents to be signed by its Senior Vice President this 17th day of June in the year two thousand one.



Attest:

Kevin Helewa

Kevin Helewa, Assistant Secretary

Everest Reinsurance Company

By *Dennis S. Alba*

Dennis S. Alba, Senior Vice President

Individual
Acknowledgement

State of _____ }
County of _____ } ss.

On this _____ day of _____, 20____, before me personally came

_____ to be known,
and known to me to be the individual described in and who executed the foregoing instrument, and acknowledged to me that he executed the same.

My commission expires _____ Notary Public

Firm
Acknowledgement

State of _____ }
County of _____ } ss.

On this _____ day of _____, 20____, before me personally came

_____ to be known to me

to be a member of the firm of _____
described in and who executed the foregoing instrument, and he thereupon acknowledged to me that he executed the same as and for the act and deed of said firm.

My commission expires _____ Notary Public

Corporation
Acknowledgement

State of _____ }
County of _____ } ss.

On this _____ day of _____, 20____, before me personally came

_____ to be known to me

who being by me duly sworn, did depose and say that he is the _____

of _____
the corporation described in and which executed the above instrument that he knows the seal of said corporation; the the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

My commission expires _____ Notary Public

Surety
Acknowledgement

State of Illinois }
County of DuPage } ss.

On this 23rd day of September, 2016, before me personally came

Christopher A. Borre _____ to be known, who, being by me duly sworn, did depose and say that

_____ International Fidelity Insurance Company and Everest Reinsurance Company
he is attorney-in-fact of _____
the corporation described in and which executed the above instrument; that he knows the corporate seal of said corporation; that the seal affixed to the within instrument is such corporate seal, and that he signed the said instrument and affixed the said seal as Attorney-in-Fact by authority of the Board of Directors of said corporation and by authority of this office under the Standing Resolutions thereof.

My commission expires 8/13/17

Katherrine M. Bien

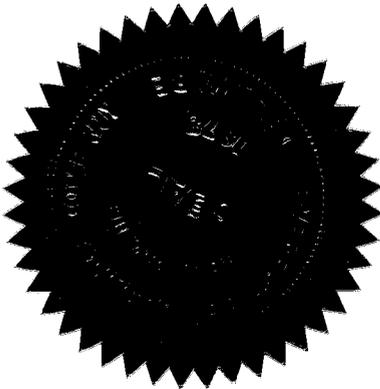
Notary Public



EVEREST REINSURANCE COMPANY
STATEMENTS OF FINANCIAL CONDITION

	December 31,	
	2015	2014
ASSETS		
Bonds	\$ 4,434,295,332	\$ 4,151,680,319
Stocks	229,920,031	233,906,836
Short-term investments	285,110,099	215,579,589
Other invested assets	2,491,699,181	2,578,118,080
Cash and cash equivalents	83,378,558	277,708,933
Accounts receivable-premium balances	1,320,329,172	1,286,442,534
Reinsurance recoverable	778,618,773	531,244,201
Other assets	356,288,893	341,520,158
Total Assets	\$ 9,979,640,039	\$ 9,616,200,650
LIABILITIES		
Loss and loss adjustment expense reserve	\$ 4,177,403,008	\$ 4,264,319,795
Unearned premium reserve	581,335,453	638,223,965
Ceded reinsurance premium payable (net of ceding commission)	1,242,819,232	1,033,674,220
Reserve for commissions, taxes and other liabilities	767,191,387	786,983,991
Total Liabilities	\$ 6,768,749,080	\$ 6,723,201,971
SURPLUS AND OTHER FUNDS		
Common capital stock	\$ 10,000,000	\$ 10,000,000
Contributed Surplus	974,988,997	963,348,844
Unassigned surplus	2,225,901,962	1,919,649,835
Total capital and surplus	\$ 3,210,890,959	\$ 2,892,998,679
Total Liabilities and Surplus	\$ 9,979,640,039	\$ 9,616,200,650

Bonds and stocks are valued on a basis promulgated by the National Association of Insurance Commissioners



INTERNATIONAL FIDELITY INSURANCE COMPANY
 ONE NEWARK CENTER, 20TH FLOOR, NEWARK, NEW JERSEY 07102-5207

STATEMENT OF ASSETS, LIABILITIES, SURPLUS AND OTHER FUNDS

AT JUNE 30, 2016

ASSETS

Bonds (Amortized Value)	\$99,593,771
Common Stocks (Market Value)	31,349,452
Mortgage Loans on Real Estate	369,245
Cash, Bank Deposits & Short Term Investments	33,495,828
Other Invested Assets	237,139
Unpaid Premiums & Assumed Balances	13,456,735
Reinsurance Recoverable from Reinsurers	960,062
Electronic Data Processing Equipment	495,141
Investment Income Due and Accrued	576,784
Net Deferred Tax Assets	4,071,273
Receivables from Parent, Subsidiaries & Affiliates	172,383
Health Care and Other amounts Receivable	6,329
Other Assets	<u>21,046,357</u>
TOTAL ASSETS	<u>\$205,830,499</u>

LIABILITIES, SURPLUS & OTHER FUNDS

Losses (Reported Losses Net as to Reinsurance Ceded and Incurred But Not Reported Losses)	\$661,522
Reinsurance Payable on Paid Losses and Loss Adjustment Expenses	(260,073)
Loss Adjustment Expenses	3,102,913
Commissions Payable, Contingent Commissions & Other Similar Charges	(740,080)
Other Expenses (Excluding Taxes, Licenses and Fees)	2,443,958
Taxes, Licenses & Fees (Excluding Federal Income Tax)	158,054
Current Federal and Foreign Income Taxes	344,765
Unearned Premiums	34,984,787
Dividends Declared & Unpaid: Policyholders	800,000
Ceded Reinsurance Premiums Payable	3,496,956
Funds Held by Company under Reinsurance Treaties	1,031
Amounts Withheld by Company for Account of Others	68,717,077
Provision for Reinsurance	41,874
Payable to Parent, Subsidiaries and Affiliates	97,398
Other Liabilities	<u>6,512,077</u>
TOTAL LIABILITIES	<u>\$120,362,259</u>
Common Capital Stock	\$1,500,000
Gross Paid-in & Contributed Surplus	374,600
Surplus Notes	16,000,000
Unassigned Funds (Surplus)	69,351,472
Less: Treasury Stock at cost (39,063 shares common) (value incl. \$45.)	<u>1,757,835</u>
Surplus as Regards Policyholders	<u>\$85,468,237</u>
TOTAL LIABILITIES, SURPLUS & OTHER FUNDS	<u>\$205,830,496</u>

I, Francis L. Mitterhoff, President of INTERNATIONAL FIDELITY INSURANCE COMPANY, certify that the foregoing is a fair statement of Assets, Liabilities, Surplus and Other Funds of this Company, at the close of business, June 30, 2016, as reflected by its books and records and as reported in its statement on file with the Insurance Department of the State of New Jersey.



IN TESTIMONY WHEREOF, I have set my hand and affixed the seal of the Company, this 11th day of August, 2016.
 INTERNATIONAL FIDELITY INSURANCE COMPANY

ACORD™

Client#: 87969 MOENVIR
CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

9/20/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER: L. Price Team, Mesirow Insurance Services, 353 N. Clark Street, Chicago, IL 60654
CONTACT NAME: Brittany Geary
PHONE (A/C, No, Ext): 312 595-6224
FAX (A/C, No): 312 595-4339
E-MAIL ADDRESS: bgeary@mesirowfinancial.com
INSURER(S) AFFORDING COVERAGE: INSURER A: Colony Insurance Company, INSURER B: Zurich American Insurance Compa, INSURER C: Westfield Insurance Company, INSURER D: , INSURER E: , INSURER F:
NAIC #: 39993, 16535, 24112

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Table with columns: INSR LTR, TYPE OF INSURANCE, ADDL INSR, SUBR WVD, POLICY NUMBER, POLICY EFF (MM/DD/YYYY), POLICY EXP (MM/DD/YYYY), LIMITS. Rows include Commercial General Liability, Automobile Liability, Umbrella Liab, Workers Compensation and Employers' Liability, Pollution Liab, and Professional Liab.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Project: Pre-Building Demolition at Grayslake Gelatin Company

Village of Grayslake are included as Additional Insured, on Primary and Non-Contributory basis, if required in a written contract or agreement with the Named Insured, as their interest may appear, with respect to General Liability.

CERTIFICATE HOLDER: Village of Grayslake, 10 S. Seymour Avenue, Grayslake, IL 60030
CANCELLATION: SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
AUTHORIZED REPRESENTATIVE: [Signature]

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- (2) **Property damage or environmental damage to property:**
 - (a) Owned, occupied or used by; or
 - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your **employees, volunteer workers**, any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
- b. Any person (other than your **employee or volunteer worker**), or any organization while acting as your real estate manager.
- c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Policy.
- 3. Any subsidiary, associated, affiliated or allied company or corporation, including subsidiaries thereof, of which you have more than 50% ownership interest as of the **inception date** is a Named Insured; however, such entities shall cease to be a Named Insured if you cease to maintain more than a 50% ownership interest.
- 4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the **policy period**, whichever is earlier;
 - b. Coverage under this Policy does not apply to any **bodily injury, property damage, environmental damage or pollution condition** that took place, or an offense or **wrongful act** committed, before you acquired or formed the organization.
- 5. Any person or organization with whom you agree to include as an insured pursuant to a written contract, written agreement or permit is an insured, but: (i) only with respect to **bodily injury, property damage, personal and advertising injury, environmental damage or clean-up costs** caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf and arising out of your operations, **your work**, equipment or premises leased, rented or owned by you, or **your products** which are distributed or sold in the regular course of a vendor's business; (ii) only for the lesser of the applicable limits of liability set forth in section XXI. LIMITS OF LIABILITY AND DEDUCTIBLE or the minimum limits of liability required by such written contract; (iii) the insurance afforded only applies to the extent permitted by law; (iv) the insurance afforded will not be broader than that which you are required by the contract or agreement to provide for such insured. However:

- a. A vendor is not an insured as respects **bodily injury, property damage, environmental damage or clean-up costs** arising out of:
 - (1) Damages the vendor is obligated to pay by reason of the assumption of liability in a contract or agreement except for any damages that the vendor would have been obligated to pay in the absence of the contract or agreement;
 - (2) Any express warranty unauthorized by you;
 - (3) Any physical or chemical change in the product made intentionally by the vendor;
 - (4) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from you, and then repackaged in the original container;
 - (5) Any failure to make inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
 - (6) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's location in connection with the sale of the product;
 - (7) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
 - (8) The sole negligence of the vendor for its own acts or omissions or those of its **employees** or anyone else acting on its behalf. However, this subparagraph does not apply to:
 - (a) the exceptions contained in subparagraphs (4) or (6) above; or
 - (b) such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

- 6. A manager or lessor of premises, a lessor of leased equipment, or a mortgagee, assignee, or receiver is not an insured as respects **bodily injury, property damage, environmental damage, personal and advertising injury or clean-up costs**:
 - a. Arising out of any **occurrence, offense, pollution condition, or wrongful act** that takes place after the equipment lease expires or you cease to be a tenant; or
 - b. Arising out of structural alterations, new construction or demolition operations performed by or on behalf of the manager or lesser of premises, or mortgagee, assignee, or receiver.

where the **claim** arose or is being defended. In addition, we may exercise our right to require that such counsel:

- a. meet certain minimum qualifications with respect to competency, including possessing a minimum of five (5) years experience in defending **claims** similar to those asserted against the insured;
- b. maintain suitable errors and omissions insurance coverage; and
- c. agree, in writing, to respond in a timely manner to our requests for information regarding the **claim**.

An insured may, at any time, waive any right it may have to select independent counsel.

13. Inspection and Audit

With reasonable notice to you, we shall be permitted, but not obligated, to inspect, sample and monitor on a continuing basis your property, equipment and/or operations. Neither our right to make inspections, sample and monitor, nor the actual undertaking thereof, nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of you or others, to determine or warrant that such property or operations are safe, healthful or conform to acceptable engineering practice or are in compliance with **environmental laws**, or any other law, rule or regulation. Further, the **first named insured** agrees on behalf of all insureds, to grant us both the right to interview, and access to, any insured whom we reasonably believe may have relevant information pertaining to any **claim** or **pollution condition** potentially covered under this Policy.

14. Other Insurance

If other valid and collectible insurance is available for any **loss** subject to coverage under this Policy, our obligations are limited as follows:

a. Primary Insurance

Except as provided in paragraph **b.** below, this insurance is primary. When this insurance is primary, our obligations are not affected unless any of the other insurance is also primary, in which case we will share with all other primary insurance by the method described in paragraph **c.** below. However, in the event that a written contract, written agreement or permit requires this insurance to be primary for any person or organization that you agreed to insure, and provided such person or organization is an insured under this Policy, this insurance will be primary and we will not seek contribution from any other insurance issued to such person or organization.

b. Excess Insurance

This insurance is excess over:

- (1) Any other insurance, whether primary, excess, contingent or on any other basis that is: (i) Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for **your work**; (ii) Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner; (iii) insurance purchased by you to cover your liability as a tenant for **property damage** to premises rented to you or temporarily occupied by you with permission of the owner; or (iv) insurance applicable to **loss** arising out of the maintenance or use of aircraft, **autos** or watercraft;

Misrepresentation or concealment by one insured shall not prejudice the interest or coverage for another insured under this Policy, except where such latter insured is a parent, subsidiary, or affiliate of the insured that committed such misrepresentation or concealment. For the purposes of this condition, an "affiliate" means an entity that directly or indirectly is controlled by, or is under common control with, the insured that committed such misrepresentation or concealment. Notwithstanding the forgoing, nothing stated herein shall preclude us from seeking and obtaining rescission of this Policy in the event of a material misrepresentation in the application for insurance. In addition, nothing stated herein shall operate to increase the limit(s) of liability provided hereunder.

16. Sole Agent

The **first named insured** shall act on behalf of all insureds for the payment of the Deductible, payment or return of premium, receipt and acceptance of any endorsement issued to form a part of this Policy, giving and receiving notice of cancellation, and the exercise of the rights provided in section XXIV. EXTENDED REPORTING PERIODS.

17. Subrogation

In the event of any payments made pursuant to this Policy, we shall be subrogated to any insured's rights of recovery against any person, entity or organization. The insured shall execute and deliver instruments and papers and do whatever is necessary to secure and perfect such rights. No insured shall do anything to prejudice such rights.

Any recovery obtained as a result of subrogation, after such expenses incurred in the subrogation proceedings are deducted by us, shall accrue first to the insured to the extent of any payments in excess of the Limit of Liability; then us to the extent of any payments made under this Policy; and then to the insured to the extent of its Deductible.

However, solely with respect to Coverage Part 1 or Coverage Part 2, if the insured has waived rights of recovery against any person, entity or organization prior to a **loss** or **claim**, we waive any right to recovery we may have under the policy against such person, entity or organization.

18. Voluntary Payments

The insured shall not settle any **claim** or **suit** or, with the exception of **emergency expenses**, make any voluntary payments without our prior written consent. If we recommend a settlement, the insured shall have the opportunity to consent to it, such consent not to be unreasonably withheld or delayed. If we recommend a settlement that is acceptable to a claimant for a total amount in excess of the applicable Deductible and within the applicable Limits of Liability and the insured refuses to consent to such settlement, then our liability for **loss** shall be limited to that portion of the recommended settlement, and the **legal defense costs** incurred as of the date of the insured's refusal, which exceeds the Deductible and falls within the applicable Limit of Liability.

XXIV. EXTENDED REPORTING PERIODS

This section XXIV. applies to Coverages 2C, 2D and 3 only.

1. We will provide one or more Extended Reporting Periods, as described below, if this Policy is terminated for any of the following reasons:
 - a. Cancellation by us for any reason other than failure to pay a premium when due or fraud or material misrepresentation;

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

WHEN REQUIRED BY A WRITTEN CONTRACT

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective

Policy No.

Endorsement No.

Insured

Premium \$

Insurance Company

Countersigned By _____

WC 00 03 13

(Ed. 4-84)

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VILLAGE OF GRAYSLAKE

CONTRACT FOR THE

PRE - BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY

CONTRACT [NO.]

ISSUED IN TRIPLICATE
BOND NO. 0685511

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS: that **M & O Environmental Company, P.O. Box 759, Homewood, Illinois 60430**, as Principal, hereinafter called Contractor, and **International Fidelity Insurance Company and Everest Reinsurance Company, One Newark Center, 20th Floor, Newark, NJ 07102**, as Co-Sureties, organized and existing under the laws of the State of **New Jersey**, hereinafter called Surety, are held and firmly bound unto the Village of Grayslake, 10 South Seymour Avenue, Grayslake, Illinois 60030, as Obligee, hereinafter called Owner, in the full and just sum of **One Hundred Seventy Six Thousand Dollars (\$176,000.00)**, for the payment of which sum of money well and truly to be made, Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents, said amount to include payment of actual costs and damages and for attorneys' fees, architectural fees, design fees, engineering fees, accounting fees, testing fees, consulting fees, administrative costs, court costs, interest and any other fees and expenses resulting from or incurred by reason of Contractor's failure to promptly and faithfully perform its contract with Owner, said contract being more fully described below, and to include attorneys' fees, court costs and administrative and other expenses necessarily paid or incurred in successfully enforcing performance of the obligation of Surety under this bond.

WHEREAS, Contractor has entered into a written agreement dated October 5, 2016 with Owner entitled "Contract Agreement Between Village of Grayslake and **M & O Environmental Company** for the Construction of **PRE-BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY**" (the "Contract"), the terms and conditions of which are by this reference incorporated herein as though fully set forth herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH THAT if Contractor shall well, truly, and promptly perform all the undertakings, covenants, terms, conditions, and agreements of said Contractor under the Contract, including, but not limited to, Contractor's obligations under the Contract: (1) to provide, perform and complete at the Work Site and in the manner specified in the Contract all necessary work, labor, services, transportation, equipment, materials, apparatus, machinery, tools, fuels, gas, electric, water, waste disposal, information, data, and other means and items necessary for the design, if any, construction, and installation of the **PRE-BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY**, together with related attachments, equipment, and appurtenances thereto; (2) to procure and furnish all permits, licenses, and other governmental approvals and authorizations necessary in connection therewith except as otherwise expressly provided in the Special Conditions of Contract; (3) to procure and furnish all bonds and certificates and policies of insurance specified in the Contract; (4) to pay all applicable federal, state, and local taxes; (5) to do all other things

PERFORMANCE BOND

required of Contractor by the Contract; and (6) to provide, perform, and complete all of the foregoing in a proper and workmanlike manner and in full compliance with, and as required by and pursuant to, the Contract; all of which is herein referred to as the "Work," whether or not any of said Work enter into and become component parts of the improvement contemplated, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

Surety, for value received, hereby stipulates and agrees that no changes, modifications, alterations, omissions, deletions, additions, extensions of time, or forbearances on the part of either Owner or Contractor to the other in or to the terms of said Contract; in or to the schedules, plans, drawings, or specifications; in or to the method or manner of performance of the Work; in or to Owner-furnished facilities, equipment, materials, services, or sites; or in or to the mode or manner of payment therefor, shall in any way release Contractor and Surety or either or any of them, or any of their heirs, executors, administrators, successors, or assigns, or affect the obligations of Surety on this bond, all notice of any and all of the foregoing changes, modifications, alterations, omissions, deletions, additions, extensions of time, or forbearances, and notice of any and all defaults by Contractor or of Owner's termination of Contractor being hereby waived by Surety.

Notwithstanding anything to the contrary in the foregoing paragraph, in no event shall the obligations of Surety under this bond in the event of Contractor's default be greater than the obligations of Contractor under the Contract in the absence of such Contractor default.

In the event of a default or defaults by Contractor, Owner shall have the right to take over and complete the Contract upon 30 calendar days' written notice to Surety, in which event Surety shall pay Owner all costs incurred by Owner in taking over and completing the Contract.

At its option, Owner may instead request that Surety take over and complete the Contract, in which event Surety shall take reasonable steps to proceed promptly with completion no later than 30 calendar days from the date on which Owner notifies Surety that Owner wants Surety to take over and complete the Contract.

Owner shall have no obligation to actually incur any expense or correct any deficient performance of Contractor in order to be entitled to receive the proceeds of this bond.

No right of action shall accrue on this bond to or for the use of any person or corporation other than Owner or the heirs, executors, administrators, or successors of Owner.

PERFORMANCE BOND

Signed and sealed this 23rd day of September, 2016.

Attest/Witness:

PRINCIPAL: M & O Environmental Company

By: Mary M. Connelly

By: [Signature]

Title: COMPLIANCE

Title: VICE-PRESIDENT

Attest/Witness:

SURETY: International Fidelity Insurance Company

By: Doris A. Bohlig

By: [Signature]

See Attached Jurat

Christopher A. Borre
Attorney-in-Fact

Title: _____

Title: _____

630-416-4406

Telephone: _____

Attest/Witness:

SURETY: Everest Reinsurance Company

By: Doris A. Bohlig

By: [Signature]

See Attached Jurat

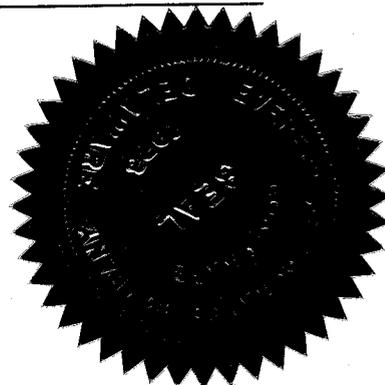
Christopher A. Borre
Attorney-in-Fact

Title: _____

Title: _____

630-416-4406

Telephone: _____



POWER OF ATTORNEY

INTERNATIONAL FIDELITY INSURANCE COMPANY ALLEGHENY CASUALTY COMPANY

ONE NEWARK CENTER, 20TH FLOOR NEWARK, NEW JERSEY 07102-5207

KNOW ALL MEN BY THESE PRESENTS: That INTERNATIONAL FIDELITY INSURANCE COMPANY, a corporation organized and existing under the laws of the State of New Jersey, and ALLEGHENY CASUALTY COMPANY a corporation organized and existing under the laws of the State of New Jersey, having their principal office in the City of Newark, New Jersey, do hereby constitute and appoint

KATHERINE M. BIEN, CHRISTOPHER A. BORRE, DEBORAH J. HEDERA, MARLENE MILLIGAN,
RYAN FORSYTH, DORIS A. BOHLIG, JOSEPH ZAHN, BRENDAN SMITH

Naperville, IL.

their true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by their regularly elected officers at their principal offices.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of the By-Laws of INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY and is granted under and by authority of the following resolution adopted by the Board of Directors of INTERNATIONAL FIDELITY INSURANCE COMPANY at a meeting duly held on the 20th day of July, 2010 and by the Board of Directors of ALLEGHENY CASUALTY COMPANY at a meeting duly held on the 15th day of August, 2000:

"RESOLVED, that (1) the President, Vice President, Chief Executive Officer or Secretary of the Corporation shall have the power to appoint, and to revoke the appointments of, Attorneys-in-Fact or agents with power and authority as defined or limited in their respective powers of attorney, and to execute on behalf of the Corporation and affix the Corporation's seal thereto, bonds, undertakings, recognizances, contracts of indemnity and other written obligations in the nature thereof or related thereto; and (2) any such Officers of the Corporation may appoint and revoke the appointments of joint-control custodians, agents for acceptance of process, and Attorneys-in-fact with authority to execute waivers and consents on behalf of the Corporation; and (3) the signature of any such Officer of the Corporation and the Corporation's seal may be affixed by facsimile to any power of attorney or certification given for the execution of any bond, undertaking, recognizance, contract of indemnity or other written obligation in the nature thereof or related thereto, such signature and seals when so used whether heretofore or hereafter, being hereby adopted by the Corporation as the original signature of such officer and the original seal of the Corporation, to be valid and binding upon the Corporation with the same force and effect as though manually affixed."

IN WITNESS WHEREOF, INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY have each executed and attested these presents on this 31st day of December, 2015.



STATE OF NEW JERSEY
County of Essex

ROBERT W. MINSTER
Chief Executive Officer (International Fidelity Insurance Company) and President (Allegheny Casualty Company)



On this 31st day of December 2015, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY; that the seals affixed to said instrument are the Corporate Seals of said Companies; that the said Corporate Seals and his signature were duly affixed by order of the Boards of Directors of said Companies.

IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.



A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires April 16, 2019

CERTIFICATION

I, the undersigned officer of INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Sections of the By-Laws of said Companies as set forth in said Power of Attorney, with the originals on file in the home office of said companies, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand this

23rd

day of

September 2016

MARIA BRANCO, Assistant Secretary

POWER OF ATTORNEY
EVEREST REINSURANCE COMPANY
DELAWARE

KNOW ALL MEN BY THESE PRESENTS: That the *Everest Reinsurance Company* of Liberty Corner, New Jersey, a corporation of the State of Delaware, having its principal office in the City of Liberty Corner, New Jersey, pursuant to the following Resolution, which was adopted by the Board of Directors of the said Corporation on February 15, 1996 to wit:

"RESOLVED, that the Chairman of the Board and Chief Executive Officer, the President, any Executive Vice President or any Senior Vice President is hereby authorized to execute Powers of Attorney appointing as attorneys-in-fact selected employees of certain surety companies who shall have the power for and on behalf of the Company to execute and affix the seal of the Company to surety contracts as co-surety."

Does hereby nominate, constitute and appoint Christopher A. Borre and Joseph Zahn of International Fidelity Insurance Company of Chicago, Illinois separately, employees of International Fidelity Insurance Company and Allegheny Casualty Company of Newark, New Jersey its true and lawful attorney(s)-in-fact, to make, execute, seal and deliver for and on its behalf, and as its act and deed: any and all bonds, undertakings or obligations in co-suretyship with International Fidelity Insurance Company or Allegheny Casualty Company whether or not there are other co-sureties, wherein the co-surety participation of *Everest Reinsurance Company* does not exceed FIFTEEN MILLION Dollars (\$ 15,000,000) and reserving to itself full power of substitution and revocation.

The execution of such bonds or undertakings in pursuance of these presents, within one year of the date of issue of these presents, shall be binding upon said Corporation, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Corporation at its office in Liberty Corner, State of New Jersey, in their own proper persons.

IN WITNESS WHEREOF, the *Everest Reinsurance Company* has caused its corporate seal to be hereunto, and these presents to be signed by its Senior Vice President this 17th day of June in the year two thousand teen.

Attest:



Kevin Helewa

Kevin Helewa, Assistant Secretary

Everest Reinsurance Company

By *Dennis S. Alba*

Dennis S. Alba, Senior Vice President

STATE OF NEW JERSEY }

Individual

Acknowledgement

State of _____ }
County of _____ } ss.

On this _____ day of _____, 20____, before me personally came

_____ to be known,
and known to me to be the individual described in and who executed the foregoing instrument, and acknowledged to me that he executed the same.

My commission expires _____ Notary Public

Firm

Acknowledgement

State of _____ }
County of _____ } ss.

On this _____ day of _____, 20____, before me personally came

_____ to be known to me

to be a member of the firm of _____
described in and who executed the foregoing instrument, and he thereupon acknowledged to me that he executed the same as and for the act and deed of said firm.

My commission expires _____ Notary Public

Corporation

Acknowledgement

State of _____ }
County of _____ } ss.

On this _____ day of _____, 20____, before me personally came

_____ to be known to me

who being by me duly sworn, did depose and say that he is the _____

of _____
the corporation described in and which executed the above instrument that he knows the seal of said corporation; the the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

My commission expires _____ Notary Public

Surety

Acknowledgement

State of Illinois }
County of DuPage } ss.

On this 23rd day of September, 2016, before me personally came

Christopher A. Borre _____ to be known, who, being by me duly sworn, did depose and say that

International Fidelity Insurance Company and Everest Reinsurance Company
he is attorney-in-fact of _____
the corporation described in and which executed the above instrument; that he knows the corporate seal of said corporation; that the seal affixed to the within instrument is such corporate seal, and that he signed the said instrument and affixed the said seal as Attorney-in-Fact by authority of the Board of Directors of said corporation and by authority of this office under the Standing Resolutions thereof.

My commission expires 8/13/17

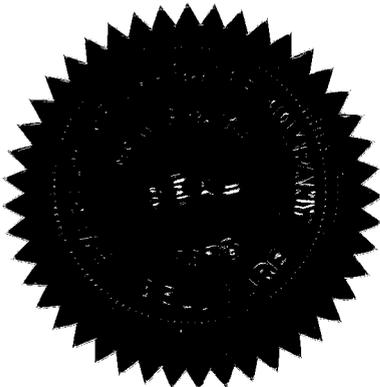


Katherine M. Bien
Notary Public

EVEREST REINSURANCE COMPANY
STATEMENTS OF FINANCIAL CONDITION

	December 31,	
	2015	2014
ASSETS		
Bonds	\$ 4,434,295,332	\$ 4,151,680,319
Stocks	229,920,031	233,906,836
Short-term investments	285,110,099	215,579,589
Other invested assets	2,491,699,181	2,578,118,080
Cash and cash equivalents	83,378,558	277,708,933
Accounts receivable-premium balances	1,320,329,172	1,286,442,534
Reinsurance recoverable	778,618,773	531,244,201
Other assets	356,288,893	341,520,158
Total Assets	\$ 9,979,640,039	\$ 9,616,200,650
LIABILITIES		
Loss and loss adjustment expense reserve	\$ 4,177,403,008	\$ 4,264,319,795
Unearned premium reserve	581,335,453	638,223,965
Ceded reinsurance premium payable (net of ceding commission)	1,242,819,232	1,033,674,220
Reserve for commissions, taxes and other liabilities	767,191,387	786,983,991
Total Liabilities	\$ 6,768,749,080	\$ 6,723,201,971
SURPLUS AND OTHER FUNDS		
Common capital stock	\$ 10,000,000	\$ 10,000,000
Contributed Surplus	974,988,997	963,348,844
Unassigned surplus	2,225,901,962	1,919,649,835
Total capital and surplus	\$ 3,210,890,959	\$ 2,892,998,679
Total Liabilities and Surplus	\$ 9,979,640,039	\$ 9,616,200,650

Bonds and stocks are valued on a basis promulgated by the National Association of Insurance Commissioners



INTERNATIONAL FIDELITY INSURANCE COMPANY
 ONE NEWARK CENTER, 20TH FLOOR, NEWARK, NEW JERSEY 07102-5207

STATEMENT OF ASSETS, LIABILITIES, SURPLUS AND OTHER FUNDS

AT JUNE 30, 2016

ASSETS

Bonds (Amortized Value)	\$99,593,771
Common Stocks (Market Value)	31,349,452
Mortgage Loans on Real Estate	369,245
Cash, Bank Deposits & Short Term Investments	33,495,828
Other Invested Assets	237,139
Unpaid Premiums & Assumed Balances	13,456,735
Reinsurance Recoverable from Reinsurers	960,062
Electronic Data Processing Equipment	495,141
Investment Income Due and Accrued	576,784
Net Deferred Tax Assets	4,071,273
Receivables from Parent, Subsidiaries & Affiliates	172,383
Health Care and Other amounts Receivable	6,329
Other Assets	<u>21,046,357</u>
TOTAL ASSETS	<u>\$205,830,499</u>

LIABILITIES, SURPLUS & OTHER FUNDS

Losses (Reported Losses Net as to Reinsurance Ceded and Incurred But Not Reported Losses)	\$661,522
Reinsurance Payable on Paid Losses and Loss Adjustment Expenses	(260,073)
Loss Adjustment Expenses	3,102,913
Commissions Payable, Contingent Commissions & Other Similar Charges	(740,080)
Other Expenses (Excluding Taxes, Licenses and Fees)	2,443,958
Taxes, Licenses & Fees (Excluding Federal Income Tax)	158,054
Current Federal and Foreign Income Taxes	344,765
Unearned Premiums	34,984,787
Dividends Declared & Unpaid: Policyholders	800,000
Ceded Reinsurance Premiums Payable	3,496,956
Funds Held by Company under Reinsurance Treaties	1,031
Amounts Withheld by Company for Account of Others	68,717,077
Provision for Reinsurance	41,874
Payable to Parent, Subsidiaries and Affiliates	97,398
Other Liabilities	<u>6,512,077</u>
TOTAL LIABILITIES	<u>\$120,362,259</u>
Common Capital Stock	\$1,500,000
Gross Paid-in & Contributed Surplus	374,600
Surplus Notes	16,000,000
Unassigned Funds (Surplus)	69,351,472
Less: Treasury Stock at cost (39,063 shares common) (value incl. \$45.)	<u>1,757,835</u>
Surplus as Regards Policyholders	<u>\$85,468,237</u>
TOTAL LIABILITIES, SURPLUS & OTHER FUNDS	<u>\$205,830,496</u>

I, Francis L. Mitterhoff, President of INTERNATIONAL FIDELITY INSURANCE COMPANY, certify that the foregoing is a fair statement of Assets, Liabilities, Surplus and Other Funds of this Company, at the close of business, June 30, 2016, as reflected by its books and records and as reported in its statement on file with the Insurance Department of the State of New Jersey.



IN TESTIMONY WHEREOF, I have set my hand and affixed the seal of the Company, this 11th day of August, 2016.
 INTERNATIONAL FIDELITY INSURANCE COMPANY

VILLAGE OF GRAYSLAKE

CONTRACT FOR THE

PRE - BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY

CONTRACT [NO.]

ISSUED IN TRIPLICATE
BOND NO. _____

LABOR AND MATERIAL PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS: that **M & O Environmental** , P.O. Box 759, Homewood, Illinois 60430 as Principal, hereinafter called Contractor, and **International Fidelity Insurance Company and Everest Reinsurance Company, One Newark Center, 20th Floor , Newark, NJ 07102**, as Co-Sureties, a corporation organized and existing under the laws of the State of New Jersey, hereinafter called Surety, are held and firmly bound unto the Village of Grayslake, 10 South Seymour Avenue, Grayslake, Illinois 60030, as Obligee, hereinafter called Owner, for the use and benefit of itself and of claimants as hereinafter defined, in the full and just sum of **One Hundred Seventy Six Thousand Dollars (\$176,000.00)**, to be paid to it or the said claimants or its or their assigns, to which payment well and truly to be made Contractor and Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents, said amount to include attorney's fees, court costs, and administrative and other expenses necessarily paid or incurred in successfully enforcing performance of the obligation of Surety under this bond.

WHEREAS, Contractor has entered into a written agreement dated October 5, 2016 with Owner entitled "Contract Agreement Between Village of Grayslake and M & O Environmental for the Construction of **PRE-BUILDING DEMOLITION AT GRAYSLAKE GELATIN COMPANY**" (the "Contract"), the terms and conditions of which are by this reference incorporated herein as though fully set forth herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH THAT if Contractor shall promptly pay or cause to be paid all sums of money that may be due to any claimant with respect to Contractor's obligations under the Contract: (1) to provide, perform, and complete at the Work Site and in the manner specified in the Contract all necessary work, labor, services, transportation, equipment, materials, apparatus, machinery, tools, fuels, gas, electric, water, waste disposal, information, data, and other means and items necessary for the design, if any, construction, and installation of the **PRE-DEMOLITION AT GRAYSLAKE GELATIN COMPANY**, together with related attachments, equipment, and appurtenances thereto; (2) to procure and furnish all permits, licenses, and other governmental approvals and authorizations necessary in connection therewith except as otherwise expressly provided in the Special Conditions of Contract; (3) to procure and furnish all bonds and certificates and policies of insurance specified in the Contract; (4) to pay all applicable federal, state, and local taxes; (5) to do all other things required of Contractor by the Contract; and (6) to provide, perform, and complete all of the foregoing in a proper and workmanlike manner and in full compliance with, and as required by and pursuant to, the Contract; all of which is herein referred to as the "Work,"

PERFORMANCE BOND

whether or not any of said Work enter into and become component parts of the improvement contemplated, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

For purpose of this bond, a claimant is defined as one having a direct contract with Contractor or with a subcontractor of Contractor to provide, perform or complete any part of the Work.

Contractor and Surety hereby jointly and severally agree that every claimant who has not had all just claims for the furnishing of any part of the Work paid in full, including, without limitation, all claims for amounts due for materials, lubricants, oil, gasoline, rentals of, or service or repairs on, machinery, equipment, and tools consumed or used in connection with the furnishing of any part of the Work, may sue on this bond for the use of such claimant, may prosecute the suit to final judgment for such sum or sums as may be justly due such claimant, and may have execution therein; provided, however, that Owner shall not be liable for the payment of any costs or expenses of any such suit. The provisions of 30 ILCS 550/1 and 30 ILCS 550/2 shall be deemed inserted herein, including the time limits within which notices of claim must be filed and actions brought under this bond.

Contractor and Surety hereby jointly agree that Owner may sue on this bond if Owner is held liable to, or voluntarily agrees to pay, any claimant directly, but nothing in this bond shall create any duty on the part of Owner to pay any claimant.

Surety, for value received, hereby stipulates and agrees that no changes, modifications, alterations, omissions, deletions, additions, extensions of time, or forbearances on the part of Owner or Contractor to the other in or to the terms of said Contract; in or to the schedules, plans, drawings, or specifications; in or to the method or manner of performance of the Work; in or to Owner-furnished facilities, equipment, materials, services, or sites; or in or to the mode or manner of payment therefor shall in any way release Contractor and Surety or either or any of them, or any of their heirs, executors, administrators, successors, or assigns, or affect the obligations of said Surety on this bond, all notice of any and all of the foregoing changes, modifications, alterations, omissions, deletions, additions, extensions of time, or forbearances and notice of any and all defaults by Contractor or of Owner's termination of Contractor being hereby waived by Surety.

PERFORMANCE BOND

Signed and sealed this 23rd day of September, 2016.

Attest/Witness:

PRINCIPAL: M & O Environmental Company

By: Mary M. Casella

By: [Signature]

Title: COMPTROLLER

Title: VICE PRESIDENT

Attest/Witness:

SURETY: International Fidelity Insurance Company

By: Doris A. Borre

By: [Signature]

See Attached Jurat

Christopher A. Borre
Attorney-in-Fact

Title: _____

Title: _____

630-416-4406

Telephone: _____

Attest/Witness:

SURETY: Everest Reinsurance Company

By: Doris A. Borre

By: [Signature]

See Attached Jurat

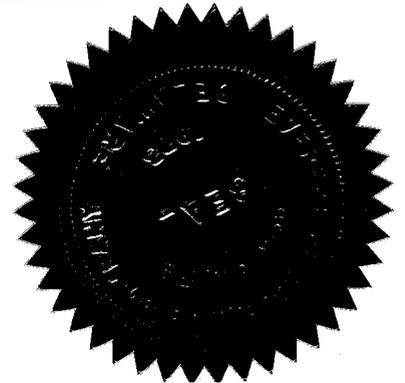
Christopher A. Borre
Attorney-in-Fact

Title: _____

Title: _____

630-416-4406

Telephone: _____



POWER OF ATTORNEY

INTERNATIONAL FIDELITY INSURANCE COMPANY ALLEGHENY CASUALTY COMPANY

ONE NEWARK CENTER, 20TH FLOOR NEWARK, NEW JERSEY 07102-5207

KNOW ALL MEN BY THESE PRESENTS: That INTERNATIONAL FIDELITY INSURANCE COMPANY, a corporation organized and existing under the laws of the State of New Jersey, and ALLEGHENY CASUALTY COMPANY a corporation organized and existing under the laws of the State of New Jersey, having their principal office in the City of Newark, New Jersey, do hereby constitute and appoint

KATHERINE M. BIEN, CHRISTOPHER A. BORRE, DEBORAH J. HEDERA, MARLENE MILLIGAN,
RYAN FORSYTH, DORIS A. BOHLIG, JOSEPH ZAHN, BRENDAN SMITH

Naperville, IL.

their true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by their regularly elected officers at their principal offices.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of the By-Laws of INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY and is granted under and by authority of the following resolution adopted by the Board of Directors of INTERNATIONAL FIDELITY INSURANCE COMPANY at a meeting duly held on the 20th day of July, 2010 and by the Board of Directors of ALLEGHENY CASUALTY COMPANY at a meeting duly held on the 15th day of August, 2000:

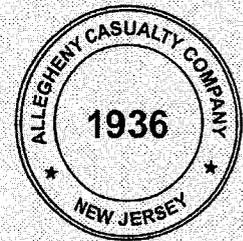
"RESOLVED, that (1) the President, Vice President, Chief Executive Officer or Secretary of the Corporation shall have the power to appoint, and to revoke the appointments of, Attorneys-in-Fact or agents with power and authority as defined or limited in their respective powers of attorney, and to execute on behalf of the Corporation and affix the Corporation's seal thereto, bonds, undertakings, recognizances, contracts of indemnity and other written obligations in the nature thereof or related thereto; and (2) any such Officers of the Corporation may appoint and revoke the appointments of joint-control custodians, agents for acceptance of process, and Attorneys-in-fact with authority to execute waivers and consents on behalf of the Corporation; and (3) the signature of any such Officer of the Corporation and the Corporation's seal may be affixed by facsimile to any power of attorney or certification given for the execution of any bond, undertaking, recognizance, contract of indemnity or other written obligation in the nature thereof or related thereto, such signature and seals when so used whether heretofore or hereafter, being hereby adopted by the Corporation as the original signature of such officer and the original seal of the Corporation, to be valid and binding upon the Corporation with the same force and effect as though manually affixed."

IN WITNESS WHEREOF, INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY have each executed and attested these presents on this 31st day of December, 2015.



STATE OF NEW JERSEY
County of Essex

ROBERT W. MINSTER
Chief Executive Officer (International Fidelity Insurance Company) and President (Allegheny Casualty Company)



On this 31st day of December 2015, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY; that the seals affixed to said instrument are the Corporate Seals of said Companies; that the said Corporate Seals and his signature were duly affixed by order of the Boards of Directors of said Companies.

IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.



A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires April 16, 2019

CERTIFICATION

I, the undersigned officer of INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Sections of the By-Laws of said Companies as set forth in said Power of Attorney, with the originals on file in the home office of said companies, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand this 23rd day of September 2016

MARIA BRANCO, Assistant Secretary

POWER OF ATTORNEY
EVEREST REINSURANCE COMPANY
DELAWARE

KNOW ALL MEN BY THESE PRESENTS: That the Everest Reinsurance Company of Liberty Corner, New Jersey, a corporation of the State of Delaware, having its principal office in the City of Liberty Corner, New Jersey, pursuant to the following Resolution, which was adopted by the Board of Directors of the said Corporation on February 15, 1996 to wit:

"RESOLVED, that the Chairman of the Board and Chief Executive Officer, the President, any Executive Vice President or any Senior Vice President is hereby authorized to execute Powers of Attorney appointing as attorneys-in-fact selected employees of certain surety companies who shall have the power for and on behalf of the Company to execute and affix the seal of the Company to surety contracts as co-surety."

Does hereby nominate, constitute and appoint Christopher A. Borre and Joseph Zahn of International Fidelity Insurance Company of Chicago, Illinois separately, employees of International Fidelity Insurance Company and Allegheny Casualty Company of Newark, New Jersey its true and lawful attorney(s)-in-fact, to make, execute, seal and deliver for and on its behalf, and as its act and deed: any and all bonds, undertakings or obligations in co-suretyship with International Fidelity Insurance Company or Allegheny Casualty Company whether or not there are other co-sureties, wherein the co-surety participation of Everest Reinsurance Company does not exceed FIFTEEN MILLION Dollars (\$ 15,000,000) and reserving to itself full power of substitution and revocation.

The execution of such bonds or undertakings in pursuance of these presents, within one year of the date of issue of these presents, shall be binding upon said Corporation, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Corporation at its office in Liberty Corner, State of New Jersey, in their own proper persons.

IN WITNESS WHEREOF, the Everest Reinsurance Company has caused its corporate seal to be hereunto and these presents to be signed by its Senior Vice President this 17th day of June in the year two thousand teen.

Attest:

Everest Reinsurance Company

Kevin Helewa

By *Dennis S. Alba*

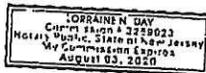
Kevin Helewa, Assistant Secretary

Dennis S. Alba, Senior Vice President

STATE OF NEW JERSEY }
SS }
COUNTY OF SOMERSET }

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Liberty Corner, the day and year first above written.

My Commission expires



Lorraine N. Day

Notary Public

STATE OF NEW JERSEY }
SS }
COUNTY OF SOMERSET }

I, ROBERT CRISTIANO of Everest Reinsurance Company, a corporation of the State of Delaware, do hereby certify that the above and foregoing is a full, true correct copy of the Power of Attorney issued by said Everest Reinsurance Company, and that I have compared same with the original and that it is a correct transcript there from and of the whole of the original. Said Power of Attorney is still in force and effect and has not been revoked. I do further certify that DENNIS S. ALBA, SENIOR VICE PRESIDENT is duly authorized to sign said Power of Attorney in accordance with the Resolution of the Board of Directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Corporation, at the City of Liberty Corner, this day of September 23, 2016.

Robert Cristiano

Vice President

Printed in U S A

PR-137A

Individual Acknowledgement

State of _____ }
County of _____ } ss.

On this _____ day of _____, 20____, before me personally came

_____ to be known, and known to me to be the individual described in and who executed the foregoing instrument, and acknowledged to me that he executed the same.

My commission expires _____ Notary Public

Firm Acknowledgement

State of _____ }
County of _____ } ss.

On this _____ day of _____, 20____, before me personally came

_____ to be known to me

to be a member of the firm of _____ described in and who executed the foregoing instrument, and he thereupon acknowledged to me that he executed the same as and for the act and deed of said firm.

My commission expires _____ Notary Public

Corporation Acknowledgement

State of _____ }
County of _____ } ss.

On this _____ day of _____, 20____, before me personally came

_____ to be known to me

who being by me duly sworn, did depose and say that he is the _____

of _____ of the corporation described in and which executed the above instrument that he knows the seal of said corporation; the the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

My commission expires _____ Notary Public

Surety Acknowledgement

State of Illinois }
County of DuPage } ss.

On this 23rd day of September, 2016, before me personally came

Christopher A. Borre _____ to be known, who, being by me duly sworn, did depose and say that

_____ International Fidelity Insurance Company and Everest Reinsurance Company he is attorney-in-fact of _____ the corporation described in and which executed the above instrument; that he knows the corporate seal of said corporation; that the seal affixed to the within instrument is such corporate seal, and that he signed the said instrument and affixed the said seal as Attorney-in-Fact by authority of the Board of Directors of said corporation and by authority of this office under the Standing Resolutions thereof.

My commission expires 8/13/17

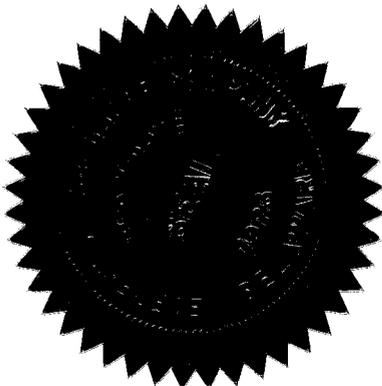


Katherine M. Bien
Notary Public

EVEREST REINSURANCE COMPANY
STATEMENTS OF FINANCIAL CONDITION

	December 31,	
	2015	2014
ASSETS		
Bonds	\$ 4,434,295,332	\$ 4,151,680,319
Stocks	229,920,031	233,906,836
Short-term investments	285,110,099	215,579,589
Other invested assets	2,491,699,181	2,578,118,080
Cash and cash equivalents	83,378,558	277,708,933
Accounts receivable-premium balances	1,320,329,172	1,286,442,534
Reinsurance recoverable	778,618,773	531,244,201
Other assets	356,288,893	341,520,158
Total Assets	\$ 9,979,640,039	\$ 9,616,200,650
LIABILITIES		
Loss and loss adjustment expense reserve	\$ 4,177,403,008	\$ 4,264,319,795
Unearned premium reserve	581,335,453	638,223,965
Ceded reinsurance premium payable (net of ceding commission)	1,242,819,232	1,033,674,220
Reserve for commissions, taxes and other liabilities	767,191,387	786,983,991
Total Liabilities	\$ 6,768,749,080	\$ 6,723,201,971
SURPLUS AND OTHER FUNDS		
Common capital stock	\$ 10,000,000	\$ 10,000,000
Contributed Surplus	974,988,997	963,348,844
Unassigned surplus	2,225,901,962	1,919,649,835
Total capital and surplus	\$ 3,210,890,959	\$ 2,892,998,679
Total Liabilities and Surplus	\$ 9,979,640,039	\$ 9,616,200,650

Bonds and stocks are valued on a basis promulgated by the National Association of Insurance Commissioners



INTERNATIONAL FIDELITY INSURANCE COMPANY
 ONE NEWARK CENTER, 20TH FLOOR, NEWARK, NEW JERSEY 07102-5207

STATEMENT OF ASSETS, LIABILITIES, SURPLUS AND OTHER FUNDS

AT JUNE 30, 2016

<u>ASSETS</u>	
Bonds (Amortized Value)	\$99,593,771
Common Stocks (Market Value)	31,349,452
Mortgage Loans on Real Estate	369,245
Cash, Bank Deposits & Short Term Investments	33,495,828
Other Invested Assets	237,139
Unpaid Premiums & Assumed Balances	13,456,735
Reinsurance Recoverable from Reinsurers	960,062
Electronic Data Processing Equipment	495,141
Investment Income Due and Accrued	576,784
Net Deferred Tax Assets	4,071,273
Receivables from Parent, Subsidiaries & Affiliates	172,383
Health Care and Other amounts Receivable	6,329
Other Assets	<u>21,046,357</u>
TOTAL ASSETS	<u>\$205,830,499</u>
<u>LIABILITIES, SURPLUS & OTHER FUNDS</u>	
Losses (Reported Losses Net as to Reinsurance Ceded and Incurred But Not Reported Losses)	\$661,522
Reinsurance Payable on Paid Losses and Loss Adjustment Expenses	(260,073)
Loss Adjustment Expenses	3,102,913
Commissions Payable, Contingent Commissions & Other Similar Charges ..	(740,080)
Other Expenses (Excluding Taxes, Licenses and Fees)	2,443,958
Taxes, Licenses & Fees (Excluding Federal Income Tax)	158,054
Current Federal and Foreign Income Taxes	344,765
Unearned Premiums	34,984,787
Dividends Declared & Unpaid: Policyholders	800,000
Ceded Reinsurance Premiums Payable	3,496,956
Funds Held by Company under Reinsurance Treaties	1,031
Amounts Withheld by Company for Account of Others	68,717,077
Provision for Reinsurance	41,874
Payable to Parent, Subsidiaries and Affiliates	97,398
Other Liabilities	<u>6,512,077</u>
TOTAL LIABILITIES	<u>\$120,362,259</u>
Common Capital Stock	\$1,500,000
Gross Paid-in & Contributed Surplus	374,600
Surplus Notes	16,000,000
Unassigned Funds (Surplus)	69,351,472
Less: Treasury Stock at cost (39,063 shares common) (value incl. \$45.)	<u>1,757,835</u>
Surplus as Regards Policyholders	<u>\$85,468,237</u>
TOTAL LIABILITIES, SURPLUS & OTHER FUNDS	<u>\$205,830,496</u>

I, Francis L. Mitterhoff, President of INTERNATIONAL FIDELITY INSURANCE COMPANY, certify that the foregoing is a fair statement of Assets, Liabilities, Surplus and Other Funds of this Company, at the close of business, June 30, 2016, as reflected by its books and records and as reported in its statement on file with the Insurance Department of the State of New Jersey.



IN TESTIMONY WHEREOF, I have set my hand and affixed the seal of the Company, this 11th day of August, 2016.
 INTERNATIONAL FIDELITY INSURANCE COMPANY

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER L. Price Team Mesirow Insurance Services 353 N. Clark Street Chicago, IL 60654	CONTACT NAME: Brittany Geary
	PHONE (A/C, No, Ext): 312 595-6224 FAX (A/C, No): 312 595-4339 E-MAIL ADDRESS: bgeary@mesirowfinancial.com
INSURED M&O Environmental Company P.O. Box 759 Homewood, IL 60430	INSURER(S) AFFORDING COVERAGE NAIC #
	INSURER A : Colony Insurance Company 39993
	INSURER B : Zurich American Insurance Compa 16535
	INSURER C : Westfield Insurance Company 24112
	INSURER D : INSURER E : INSURER F :

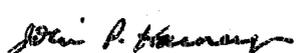
COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> BI/PD Ded:10000 GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		PACE303336	05/01/2016	05/01/2017	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$50,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
C	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS		TRA0931511	05/01/2016	05/01/2017	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$		EXC301994	05/01/2016	05/01/2017	EACH OCCURRENCE \$10,000,000 AGGREGATE \$10,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N (Mandatory in NH) <input checked="" type="checkbox"/> N N/A If yes, describe under DESCRIPTION OF OPERATIONS below		WC4503580	05/01/2016	05/01/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
A	Pollution Liab.		PACE303336	05/01/2016	05/01/2017	\$1,000,000 ea. Loss Lim
A	Professional Liab		PACE303336	05/01/2016	05/01/2017	\$1,000,000 ea. claim

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Project: Pre-Building Demolition at Grayslake Gelatin Company

Village of Grayslake and Huff & Huff, Inc. a Subsidiary of GZA are included as Additional Insured, on Primary and Non-Contributory basis, if required in a written contract or agreement with the Named Insured, as their interest may appear, with respect to General Liability.

CERTIFICATE HOLDER Village of Grayslake 10 S. Seymour Avenue Grayslake, IL 60030	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

- (2) **Property damage or environmental damage** to property:
 - (a) Owned, occupied or used by; or
 - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your **employees, volunteer workers**, any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
 - b. Any person (other than your **employee or volunteer worker**), or any organization while acting as your real estate manager.
 - c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
 - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Policy.
3. Any subsidiary, associated, affiliated or allied company or corporation, including subsidiaries thereof, of which you have more than 50% ownership interest as of the **inception date** is a Named Insured; however, such entities shall cease to be a Named Insured if you cease to maintain more than a 50% ownership interest.
4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the **policy period**, whichever is earlier;
 - b. Coverage under this Policy does not apply to any **bodily injury, property damage, environmental damage or pollution condition** that took place, or an offense or **wrongful act** committed, before you acquired or formed the organization.
5. Any person or organization with whom you agree to include as an insured pursuant to a written contract, written agreement or permit is an insured, but: (i) only with respect to **bodily injury, property damage, personal and advertising injury, environmental damage or clean-up costs** caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf and arising out of your operations, **your work**, equipment or premises leased, rented or owned by you, or **your products** which are distributed or sold in the regular course of a vendor's business; (ii) only for the lesser of the applicable limits of liability set forth in section XXI. LIMITS OF LIABILITY AND DEDUCTIBLE or the minimum limits of liability required by such written contract; (iii) the insurance afforded only applies to the extent permitted by law; (iv) the insurance afforded will not be broader than that which you are required by the contract or agreement to provide for such insured. However:

- a. A vendor is not an insured as respects **bodily injury, property damage, environmental damage or clean-up costs** arising out of:
- (1) Damages the vendor is obligated to pay by reason of the assumption of liability in a contract or agreement except for any damages that the vendor would have been obligated to pay in the absence of the contract or agreement;
 - (2) Any express warranty unauthorized by you;
 - (3) Any physical or chemical change in the product made intentionally by the vendor;
 - (4) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from you, and then repackaged in the original container;
 - (5) Any failure to make inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
 - (6) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's location in connection with the sale of the product;
 - (7) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
 - (8) The sole negligence of the vendor for its own acts or omissions or those of its **employees** or anyone else acting on its behalf. However, this subparagraph does not apply to:
 - (a) the exceptions contained in subparagraphs (4) or (6) above; or
 - (b) such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

6. A manager or lessor of premises, a lessor of leased equipment, or a mortgagee, assignee, or receiver is not an insured as respects **bodily injury, property damage, environmental damage, personal and advertising injury or clean-up costs**:
- a. Arising out of any **occurrence, offense, pollution condition, or wrongful act** that takes place after the equipment lease expires or you cease to be a tenant; or
 - b. Arising out of structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor of premises, or mortgagee, assignee, or receiver.

where the **claim** arose or is being defended. In addition, we may exercise our right to require that such counsel:

- a. meet certain minimum qualifications with respect to competency, including possessing a minimum of five (5) years experience in defending **claims** similar to those asserted against the insured;
- b. maintain suitable errors and omissions insurance coverage; and
- c. agree, in writing, to respond in a timely manner to our requests for information regarding the **claim**.

An insured may, at any time, waive any right it may have to select independent counsel.

13. Inspection and Audit

With reasonable notice to you, we shall be permitted, but not obligated, to inspect, sample and monitor on a continuing basis your property, equipment and/or operations. Neither our right to make inspections, sample and monitor, nor the actual undertaking thereof, nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of you or others, to determine or warrant that such property or operations are safe, healthful or conform to acceptable engineering practice or are in compliance with **environmental laws**, or any other law, rule or regulation. Further, the **first named insured** agrees on behalf of all insureds, to grant us both the right to interview, and access to, any insured whom we reasonably believe may have relevant information pertaining to any **claim** or **pollution condition** potentially covered under this Policy.

14. Other Insurance

If other valid and collectible insurance is available for any **loss** subject to coverage under this Policy, our obligations are limited as follows:

a. Primary Insurance

Except as provided in paragraph **b.** below, this insurance is primary. When this insurance is primary, our obligations are not affected unless any of the other insurance is also primary, in which case we will share with all other primary insurance by the method described in paragraph **c.** below. However, in the event that a written contract, written agreement or permit requires this insurance to be primary for any person or organization that you agreed to insure, and provided such person or organization is an insured under this Policy, this insurance will be primary and we will not seek contribution from any other insurance issued to such person or organization.

b. Excess Insurance

This insurance is excess over:

- (1) Any other insurance, whether primary, excess, contingent or on any other basis that is: (i) Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for **your work**; (ii) Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner; (iii) insurance purchased by you to cover your liability as a tenant for **property damage** to premises rented to you or temporarily occupied by you with permission of the owner; or (iv) insurance applicable to **loss** arising out of the maintenance or use of aircraft, **autos** or watercraft;

Misrepresentation or concealment by one insured shall not prejudice the interest or coverage for another insured under this Policy, except where such latter insured is a parent, subsidiary, or affiliate of the insured that committed such misrepresentation or concealment. For the purposes of this condition, an "affiliate" means an entity that directly or indirectly is controlled by, or is under common control with, the insured that committed such misrepresentation or concealment. Notwithstanding the forgoing, nothing stated herein shall preclude us from seeking and obtaining rescission of this Policy in the event of a material misrepresentation in the application for insurance. In addition, nothing stated herein shall operate to increase the limit(s) of liability provided hereunder.

16. Sole Agent

The **first named insured** shall act on behalf of all insureds for the payment of the Deductible, payment or return of premium, receipt and acceptance of any endorsement issued to form a part of this Policy, giving and receiving notice of cancellation, and the exercise of the rights provided in section XXIV. EXTENDED REPORTING PERIODS.

17. Subrogation

In the event of any payments made pursuant to this Policy, we shall be subrogated to any insured's rights of recovery against any person, entity or organization. The insured shall execute and deliver instruments and papers and do whatever is necessary to secure and perfect such rights. No insured shall do anything to prejudice such rights.

Any recovery obtained as a result of subrogation, after such expenses incurred in the subrogation proceedings are deducted by us, shall accrue first to the insured to the extent of any payments in excess of the Limit of Liability; then us to the extent of any payments made under this Policy; and then to the insured to the extent of its Deductible.

However, solely with respect to Coverage Part 1 or Coverage Part 2, if the insured has waived rights of recovery against any person, entity or organization prior to a **loss** or **claim**, we waive any right to recovery we may have under the policy against such person, entity or organization.

18. Voluntary Payments

The insured shall not settle any **claim** or **suit** or, with the exception of **emergency expenses**, make any voluntary payments without our prior written consent. If we recommend a settlement, the insured shall have the opportunity to consent to it, such consent not to be unreasonably withheld or delayed. If we recommend a settlement that is acceptable to a claimant for a total amount in excess of the applicable Deductible and within the applicable Limits of Liability and the insured refuses to consent to such settlement, then our liability for **loss** shall be limited to that portion of the recommended settlement, and the **legal defense costs** incurred as of the date of the insured's refusal, which exceeds the Deductible and falls within the applicable Limit of Liability.

XXIV. EXTENDED REPORTING PERIODS

This section XXIV. applies to Coverages 2C, 2D and 3 only.

1. We will provide one or more Extended Reporting Periods, as described below, if this Policy is terminated for any of the following reasons:
 - a. Cancellation by us for any reason other than failure to pay a premium when due or fraud or material misrepresentation;

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

WHEN REQUIRED BY A WRITTEN CONTRACT

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective

Policy No.

Endorsement No.

Insured

Premium \$

Insurance Company

Countersigned By _____

WC 00 03 13

(Ed. 4-84)

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