

**ELECTRIC SYSTEM CONSTRUCTION CONTRACT
PROJECT CONSTRUCTION**

NOTICE AND INSTRUCTIONS TO BIDDERS

1. **Sealed Bids** for the construction, including the supply of necessary labor and equipment, of an electric project for, PUBLIC UTILITY DISTRICT NO. 1 OF OKANOGAN COUNTY (hereinafter called the "District") will be received by the District at 1331 Second Ave. N., P.O. Box 912, Okanogan, Washington 98840, as per the attached Call for Bids. No bids will be considered which are received after the time specified. Bids may be sent by mail or turned in personally.
2. **Examination of Documents.** Each bidder shall thoroughly examine and be familiar with the contract drawings, engineers specifications, and all other contract documents. Submission of a proposal shall constitute an acknowledgement upon which the District may rely that the Bidder has thoroughly examined and is familiar with each of the contract documents.
3. **Interpretation of Contract Documents.** Should a party find discrepancies in or omissions from the District's requirements, or should be in doubt as to their meaning, he shall, at once notify the Chief Engineer of the District and, if required, an addendum will be mailed or delivered to each Bidder. All such addenda shall become a part of the contract document.
4. **District Furnished Materials.** The unit prices in the Contractor's Proposal are to be reflective of all District Furnished Materials.
5. **Obtaining Documents.** The Plans, Specifications and Construction Drawings, together with all necessary forms and other documents for bidders are attached with the bidding documents. If additional copies are needed, they can be purchased or The Plans, Specifications, and Construction Drawings may be examined at the office of the District or Engineer.
6. **Manner of Submitting Proposals.** Proposals and all supporting instruments must be submitted on the forms furnished by the District and must be delivered in a sealed envelope addressed to the District. The name and address of the Bidder, its license number if a license is required by the State, the name of the project and the date and hour of the opening of bids must appear on the envelope in which the Proposal is submitted. Proposals must be completed in ink or typewritten. No alterations or interlineations will be permitted, unless made before submission, and initialed and dated. The successful Bidder will be required to execute two additional counterparts of the Proposal.
7. **Withdrawal or Modification of Proposal.** The Bidder may, without prejudice to himself, withdraw, modify or correct a proposal after it has been deposited with the District; provided, a request for such is filed with the District in writing before the time set for opening bids.

8. **Due Diligence.** Prior to the submission of the Proposal, the Bidder shall make and shall be deemed to have made a careful examination of the site of the project and of the Plans, Specifications, Construction Drawings, and forms of Contractor's Proposal and Performance Bond, and shall review the location and nature of the proposed construction, the transportation facilities, the kind and character of soil and terrain to be encountered, the kind of facilities required before and during the construction of the project, general local conditions, environmental and historic preservation considerations, and all other matters that may affect the cost and time of completion of the project. **A pre-bid tour of the projects will be arranged by the District for Bidders.** Bidder will be required to comply with all federal, state, and local laws, rules, and regulations applicable to its performance, including those pertaining to the licensing of contractors.
9. **Proposals** will be accepted only from those pre-qualified bidders invited by the District to submit a proposal pursuant to RCW 54.04.085
10. **The Time for Completion of Construction** of the project is of the essence of the Contract and shall be considered in the contract award process.
11. **Bid Bond.** Each Proposal must be accompanied by a Bid Bond in the form attached hereto or a certified check on a bank that is a member of the Federal Deposit Insurance Corporation, payable to the order of the District, in an amount equal to five percent (5%) of the maximum bid price. Each Bidder agrees, provided its Proposal is one of the three low Proposals, that, by filing its Proposal together with such Bid Bond or check in consideration of the District's receiving and considering such Proposals, said Proposal shall be firm and binding upon each such Bidder and such Bid Bond or check shall be held by the District until a Proposal is accepted and a satisfactory Performance Bond is furnished (where required) by the successful Bidder or for a period not to exceed sixty (60) days from the date hereinbefore set for the opening of Proposals, whichever period shall be the shorter. If such Proposal is not one of the three low Proposals, the Bid Bond or check will be returned in each instance within a period of ten (10) days to the Bidder furnishing same.
12. **Performance Bond.** The Bidder agrees to furnish a Performance Bond in triplicate in the form attached hereto with sureties listed by the United States Treasury Department as Acceptable Sureties, in a penal sum not less than 100% of the contract price.
13. **Failure to Execute Contract.** In the event the successful Bidder fails to furnish an approved Payment and Performance Bond and to sign the Contract within ten (10) days after notification by the District, an amount equal to five percent (5%) of the amount of the bid shall be forfeited to the District as liquidated damages. Said liquidated damages shall be paid from the Bid Bond.
14. **Contract is Entire Agreement.** The Contract to be effected by the acceptance of the Proposal shall be deemed to include the entire agreement between the parties thereto,

and the Bidder shall not claim any modifications thereof resulting from any representation or promise made at any time by any officer, agent or employee of the District or by any other person.

15. **Minor Irregularities.** The District reserves the right to waive minor irregularities or minor errors in any Proposal, if it appears to the District that such irregularities or errors were made through inadvertence. Any such irregularities or errors so waived must be corrected on the Proposal in which they occur prior to the acceptance thereof by the District.
16. **Bid Rejection.** The District reserves the right to reject any or all Proposals. The District further reserves the right to accept the bid that, in its sole and absolute judgment will, under all circumstances, best serve the interests of the District.
17. **Escalation Clause.** Bids will not be accepted if an escalation clause is submitted as part of the bid.
18. **Corrections, Interpretations and Addenda.** Any omissions, discrepancies or needs for interpretations should be brought to the attention of the Chief Engineer. The District may issue written addenda to clarify questions that arise. Before submitting the bid, it is the Bidder's responsibility to verify if any addenda have been issued for the project.
19. **Postponement of Opening.** The District reserves the right to postpone the date and time announced for opening of bids. Such postponement may be made anytime before the time announced for the opening of bids, and the District will give written or faxed notice of any such postponement to each Bidder.
20. **Payment.** Invoice shall be approved for payment only after acceptance by the District. If the invoice is approved before or on the first day of the month, the District shall make payment within the first 20 days of the month. Invoices approved after the first day of the month may not be paid until the 20th day of the next calendar month. Five percent (5%) retainage will be withheld from each payment until final acceptance of the work by the District, an affidavit of wages paid has been submitted to the District and applicable releases from the Audit Section of the State Department of Revenue and Department of Labor and Industries are received by the District.
21. **Taxes.** Bids shall reflect the exemption of federal excise tax. Washington State sales tax shall not be included in the bid. The amount of tax reported and paid by the Bidder to the Washington State Department of Revenue due to any and all payments made to the Bidder for work performed under this contract shall be coded to the proper local or county authority by using the proper tax code location. Additionally, the Bidder shall require all subcontractors performing work under this contract to comply in the same manner.
22. **Right to Inspect.** The District reserves the right to perform any tests or inspection necessary to verify conformity with the specifications.

23. **Permits and Licenses.** It shall be the Contractors responsibility to obtain all federal, state and local permits and licenses required to do work in Okanogan County.
24. **Discrepancy in Unit Prices.** Where the unit prices in the Contractor's Proposal are separated into three columns designated as "Labor " "Materials," and "Labor and Materials," and where a discrepancy appears between the sum shown in the "Labor and Materials" column and the correct addition of the sums appearing in the "Labor" column and the "Materials" column, the correct addition of the sums appearing in the "Labor" column and the "Materials" column shall control. Similarly, the quantities appearing in the "No. of Units" column multiplied by the correct addition of the sums in the "Labor" column and the "Materials" shall control the amounts appearing in the "Extended Price - Labor & Materials" column. Likewise, the correct extensions shall control the amounts appearing in the "Total, Part " line for each respective part.
25. **Definition of Terms.** The terms " Engineer," "Completion of Construction," and "Completion of the Project" as used throughout this Contract shall be as defined in Article VI Section 1, of the Proposal.
26. **Bidder/District.** It is understood That the Bidder does not represent the District and has no authority to obligate the District for any payment or benefit of any kind to any person.
27. **Bid Evaluation and Award of Contract:** The District's evaluation of the bids shall include but not be exclusive of the following:
- The ranking of the Bidders as determined by the unit prices submitted in the bid.
 - A review of the Bid Schedule contained in the Bidder's Proposal to determine, in the District's judgment, if the unit prices are reasonably balanced for the intended work and if the Bid Schedule is complete.
 - A review of the entire bid package submitted by the Bidder to determine, in the District's judgment, if all requested information has been submitted and all instructions followed.
 - Project completion date may be a factor in awarding the bid.

The District reserves the right to accept the bid that, in its sole and absolute judgment will, under all circumstances, best serve the interests of the District. The Commission shall be the final authority with regard to whether a bid is responsive to the call for bids and as to whether the bidder is a responsible bidder under the conditions of his or her bid. No award of the contract shall be invalidated solely because of the failure of any prospective bidder to receive an invitation to bid.