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2770 Howard St
St John, Ill
16373

CONTRACT FOR REHABILITATION WORK TO BE FINANCED
THROUGH THE 312 LOAN PROGRAM

AGREEMENT

THIS AGREEMENT made the 17TH day of NOVEMBER, A.D. 1980, by
and between JAMES DMIKOLAS
hereinafter called the "OWNER", and JOHN TICA
hereinafter called the "CONTRACTOR".

WITNESSETH:

That the Owner and the Contractor, for the considerations hereinafter named,
mutually agree as follows:

(1.) SCOPE OF WORK:

The Contractor shall furnish all of the materials and labor and perform all of the
work on the structure(s) located at 1223-25 Broad Street
East Chicago, Indiana, as shown on the drawings and/or described in the rehabilitation
specifications and list of work, all in accordance with the terms of the Contract Documents.
The List of Work, Contract Documents, Exhibits, and General Conditions are attached to and
herein made a part of this agreement. Contractor's obligation of performance include such
materials, labor, and work specifically required by the contract documents and that which is
reasonably inferable from the contract documents.

(2.) TIME FOR COMPLETION:

The Owner shall issue a written "Proceed Order" within thirty (30) days from the
date of the closing of this loan from the East Chicago Department of Redevelopment. If the
"Proceed Order" is not received by the Contractor within this thirty (30) day period, the
Contractor may, at his option, terminate his obligation under this agreement, provided he has

STATE OF INDIANA'S NO
RECORDING DIVISION
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WILLIAM E. LESKI
RECORDER

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obtained the necessary permits and related documents. In the event the Contractor does not provide the necessary permits and related documentation within thirty (30) days from the date of closing, the owner has the option of terminating the contract for cause.

The Contractor must commence work within thirty (30) days after the issuance of the "Proceed Order", and it is to be entirely completed, including punch list items, within 339 CALENDAR () days after the issuance of the "Proceed Order". In the event the Contractor does not proceed with the aforesaid work within thirty (30) days of the issuance of the Proceed Order, the owner has the option of terminating the contract for failure to commence work within the time allowed by the Contract Agreement.

It is agreed that the time of completion required herein has been purposely made long enough to allow for ordinary delays incident to construction work of this character. No extensions of time will be given for ordinary delays, including but not limited to inclement weather, unavailability of materials or labor, delays of any nature and kind in performance by subcontractors, accidents, strikes, and the like, and the occurrence of such shall not relieve the Contractor from the obligation of timely completion.

The time in which this contract is to be performed and completed is of the essence of this agreement.

3. CONTRACTOR'S EXAMINATION OF PREMISES AND ACCEPTANCE OF CONDITION:

Contractor represents that he has thoroughly familiarized himself with all contract documents prior to the execution of this agreement and has thoroughly and carefully inspected the premises to be rehabilitated prior to execution of this agreement. Contractor acknowledges that the premises to be rehabilitated may contain latent conditions or defective conditions which are or were not apparent on inspection and agrees to make no claims for extra compensation based upon later discovery of any such latent conditions or defective conditions. Contractor further acknowledges that neither Owner nor agency has made any representations concerning the condition of the premises to be rehabilitated which were relied upon by Contractor in arriving at his accepted bid price, and that the accepted bid price was developed by the Contractor solely through his own expertise and thorough and careful examination of the premises.

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ARTICLE 15. PAYMENT AND PERFORMANCE BOND

Contractor, at the request of the Agency, shall supply to the Owner, prior to issuance of the proceed order, a surety bond in a penal sum of not less than the Contract amount. Such bond shall bear the same date as, or a designated date subsequent to the date of the agreement. The current power of attorney for the person who signs for any surety company shall be attached to such bond. This bond shall be signed by a guaranty or surety company listed in the latest issue of the U.S. Treasury Circular 570 and the penal sum shall be within the maximum specified for such company in said Circular 570. (Continued on Attached Page 9-A)

ARTICLE 16. CUTTING AND PATCHING

The Contractor for each division of this specification shall include all cutting and patching required for the proper installation of the work involved in his trade unless herein specifically stated to the contrary.

All such cutting and patching shall be done in a neat and workmanlike manner by a qualified trade mechanic. Cutting of new work, reinforced concrete floor slabs, or any structural member will be performed in such a manner so as not to compromise the structural integrity of any system.

The General Contractor shall refer to the mechanical and electrical drawings and specifications and consult with the Contractors for the various trades before constructing walls, ceilings, and floors, through which pipes, sleeves, metal ducts, conduit, boxes, etc., pass and shall not complete such construction until all such items are in place or proper provisions are made to receive them.

Plumbing, heating, ventilation, electrical, or other trades shall furnish to the General Contractor the required information regarding the location of their pipes, ducts, and other work where same pass through new walls, ceilings, and floors in order that openings may be provided and sleeves placed at the proper time in the proper location.

All plaster, painting, or other finished work damaged shall be repaired or replaced to match existing or better. The prime Contractor shall assume this responsibility.

Where patching, repairing, or matching of existing or new surfaces of walls, ceilings, or floors is required, the finished of these areas will be carried to the closest logical stopping point, such as a door frame, beam, corner, etc.

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ARTICLE 15. PAYMENT AND PERFORMANCE BOND (Continued from Page 9).

The form of the Performance Bond shall contain language satisfactory to Owner which shall require the Surety thereunder to intervene in response to Contractor's default, non-performance, or debt to protect the contractual interests of the Owner and to indemnify the Owner in the event of loss.

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ARTICLE 17. **CHECKING**

Each prime Contractor or Subcontractor is to examine the work performed by another Subcontractor to assure himself that the dimensions, location, etc., of the execution of previous work is according to the specifications and drawings contained herein before proceeding to perform his own portion of the work as each Contractor and his Subcontractor will be held responsible for the accuracy and quality of his portion of the work when completed.

ARTICLE 18. **PROCEED ORDER**

The Agency, in conjunction with the Owner, will issue a written Proceed Order within thirty (30) days from the date of acceptance of the Contractor's Bid and Proposal. If the Proceed Order is not issued within this thirty (30) day period, the Contractor has the option of withdrawing his Bid and Proposal. Such time period is exclusive of time involved in unusual delay by the reviewing action of Federal Agencies and is also exclusive of time involved in the Agency's receipt of appropriate documents from the Contractor.

ARTICLE 19. **SUBCONTRACTORS**

The Contractor shall not be required to employ any Subcontractor against whom he has a reasonable objection.

The Contractor agrees that he is as fully responsible to the Owner for the acts and omissions of his Subcontractors and of persons either directly or indirectly employed by him, as he is for the acts and omissions of himself or persons directly employed by him. Nothing contained in the Agreement documents shall create any contractual relation between any subcontractor and the Owner.

The Contractor shall not subcontract any part of the work under this Contract or permit his subcontracted work to be further subcontracted without the prior written approval of the Agency. The Contractor shall submit to the Agency, by the contract date, or, in any event, prior to commencing work, a complete list of Subcontractors and material suppliers.

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ARTICLE 20. NO LIEN CONTRACT

It is understood and agreed that this contract is to be performed under the "no lien provisions" of the laws of the State of Indiana. The Contractor agrees to waive, and does hereby waive and relinquish, all right to lien upon the real estate hereinabove described and the building to be erected thereon in accordance with the terms of this Contract, and the Contractor expressly agrees that no lien shall attach to the real estate, building structure, or any other improvement of the Owner, either on behalf of the Contractor herein or on behalf of the subcontractors, the mechanics, journeymen, laborers, materialmen, or persons performing labor upon or furnishing materials and machinery for such property or improvement of said Owner, and the said Contractor does hereby expressly waive all right to any such lien under the laws of the State of Indiana for and on behalf of themselves and all other such persons furnishing labor and materials, as aforesaid, in any form or manner whatsoever for the erection, construction, and completion of said rehabilitation of said dwelling house, it is further agreed that this Contract may be filed and recorded in the Recorder's Office of Lake County, Indiana, and said that the filing and recording of same shall be constructive notice of its content and of this waiver of said lien to all parties or persons whomever. Further, Contractor shall furnish an affidavit at the completion of its work that the contents and conditions of this paragraph have been complied with, and shall furnish such affidavit to the Owner before final payment is made hereunder. Further, the Contractor shall, at Owner's request, post a notice that conforms to the Indiana Statutes on "No Lien Contracts".

The legal description of the subject premises is as follows:

Lots 12 and 13, Block 6, Resubdivision of Blocks 13, 14, 15, Lots 12 to 30, in Block 16, and Blocks 17, 26, 27 and 28, in that part of East Chicago, lying in the Southwest Quarter of Section 29, Township 37 North, Range 9 West of the 2nd P.M., in the City of East Chicago, as shown in Plat Book 5, page 27, in Lake County, Indiana.

ARTICLE 21. LIQUIDATED DAMAGES

In the event the Contractor does not complete the work within the period designated, the Contractor shall pay the sum of Two Hundred Seventeen Dollars and Fifty Cents (\$217.50) as liquidated damages, and not as a penalty, for each and every

day of delay until the work is completed; *Provided, however, that no liquidated damages shall be assessed unless entire completion of Project is delayed beyond 8-1-81.* -10A-

J. J. [Signature]

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ARTICLE 22. EQUAL EMPLOYMENT OPPORTUNITY

The Contractor is to abide by Federal and local regulations pertaining to equal employment opportunity. If the sum to be charged for the work is more than TEN THOUSAND DOLLARS (\$10,000.00), abide by the terms set forth in Exhibit B, or if the sum is less than TEN THOUSAND DOLLARS (\$10,000.00), abide by the terms set forth in Exhibit A. If the Contract is for a structure that will contain eight (8) or more dwelling units after rehabilitation, the Contractor will, and shall require his subcontractors to, abide by the Federal Labor Standards Provisions as set forth in Form DHUD-3200 and Form DHUD-320A.

Attention of Bidders is particularly called to the requirement for ensuring that employees and applicants for employment are not discriminated against because of their race, creed, color, sex, age, or national origin.

Attention of Bidders is also particularly called to the requirements for ensuring that, to the greatest extent feasible, in connection with work covered by this Contract, opportunities for training and employment should be made available to lower income residents of the project area, and the Contract work shall be awarded to business concerns which are located in or owned by residents of the project area.

ARTICLE 23. ASSIGNMENT OF CONTRACT

The Contractor shall not assign this Contract without written consent of the Owner and approval of the Agency. The request for assignment must be addressed to the Agency (Department of Redevelopment).

ARTICLE 24. INDEMNIFICATION AND HOLD HARMLESS

The Contractor agrees to defend, indemnify and hold harmless the Owner of the property and the Agency, its employees and agents, for any costs, claims, or purported claims or damages because of bodily injury, death, property damage, sickness, disease or loss and expense arising out of or incident to, the work, which may be caused out of any act of negligence or omission of the Contractor, his Subcontractors, agents or employees, or may otherwise arise from Contractor's operation under this Contract.

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ARTICLE 25. **COOPERATION FROM OWNER**

The Owner agrees to give Contractor free and easy access to the property during reasonable hours, throughout the course of the work, provided the Contractor gives reasonable notice. The Owner further agrees to permit the Contractor to use, at no cost, existing utilities such as light, heat, power and water necessary to the prosecution and completion of the work. The Owner shall cooperate with the Contractor to facilitate the performance of the work by giving the Contractor complete access to work areas, by removing and replacing rugs, coverings, furniture and other personal property, as requested. Finally, the Owner shall not interfere with the Contractor's prosecution of the work and in cases where the Owner has reservations or complaints about the work in progress, rather than halt progress, he is to notify the Agency for a determination. The premises are to be (occupied) (vacant) during the course of the construction work.

ARTICLE 26 **CLEANING PREMISES**

The Contractor shall keep the premises, as well as adjacent areas, clean and orderly during the course of the work and remove all debris at the completion of the work. Materials and equipment that have been removed and replaced as part of the work shall belong to the Contractor. All debris shall be cleared from the property, both inside and outside, and from adjacent areas, daily, and stored in a dumpster, to be procured and paid for by Contractor. Dumpster is to be placed, so as not to damage Owners' or neighbors' properties and in a manner that will not interfere with the public's right-of-way. Contractor shall leave the premises, interior, and exterior, upon completion of this contract, in a condition suitable for immediate occupancy by tenants without further housekeeping, and this cleaning obligation shall include the cleaning of all interior and exterior glass.

ARTICLE 27. **INTEREST OF AGENCY PERSONNEL AND LOCAL PUBLIC OFFICIALS**

No member of the governing body of the Agency, who exercises any functions or responsibilities in connection with the administration of the Community Development Block Grant Program, no other officer or employee of the Agency or public official of the City of East Chicago, who exercises such functions or responsibilities, and no member of the City Government of the City East Chicago, shall have any interest, direct or indirect, in this Contract.

ARTICLE 28. **NON-COLLUSION**

This Contract, and all rehabilitation construction, to be performed according to its provisions, shall be administered by and subject to the authority of the Department of Redevelopment, East Chicago, Indiana. Upon signing of the Contract, the parties hereby affirm they have not colluded with any person in respect to this bid or Contract.

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ARTICLE 29. **RIGHT OF RESCISSION**

The Contractor is hereby notified that this Contract is subject to the "Truth in Lending Act," and that the Owner shall have until Midnight of the third day following the closing of a secured rehabilitation loan (mortgage) to rescind this Contract without penalty. The Contract, upon the Owners' rescission shall become null and void, and the Contractor will return the executed Contract and notice to proceed to the Agency without delay upon notice to him of the rescission.

ARTICLE 30. **NON-LIABILITY AGENCY**

The parties to this Agreement agree to hold the Agency harmless for any damages concerning the undertaking and execution of this Agreement, as this Agreement is solely between the Contractor and the Homeowner. Inspections by the Agency are performed for the benefit of the Agency, to protect its interest as lender/mortgagee and/or grantor and, therefore, errors or omissions shall not be grounds for action by either party against the Agency. Inspections, consultations, etc. are also for the above-stated purpose and as a service to the Homeowner. Claims or causes of action resulting from this Agreement are between the Homeowner and the Contractor.

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(4.) CONTRACT SUM:

The Owner shall pay the Contractor for the performance of the Contract the fixed price sum of THREE HUNDRED SEVENTY FIVE THOUSAND Dollars (\$375,000).

(5.) PROGRESS PAYMENTS:

The Owner shall make payments on account of the contract, upon proper written application therefor by the Contractor, conditioned upon inspection and approval by the Agency and Owner, as follows: NOT TO EXCEED 8 PARTIALS AND A FINAL
PAID ON RECEIPTS OF COMPLETED WORK; CONSENT TO SUCH PAYMENTS
SHALL NOT BE UNREASONABLY WITHHELD BY OWNER.

If the Contractor is not on time with his work, leaves the job site during the course of the work for unwarranted period of time, or otherwise fails to comply with each and every provision of this contract, he forfeits the right to Progress Payments and shall be paid in accordance with paragraph 6. below.

(6.) ACCEPTANCE AND FINAL PAYMENTS:

Final payment shall not be due Contractor until twenty (20) days after acceptance of all work by Owner and Agency, as evidenced by the issuance of a duly executed "Certificate of Final Completion", and until twenty (20) days after the issuance by appropriate governmental entities of a certificate of entitlement to occupancy, or similar certificate, whichever event occurs later.

(7.) CONTRACT DOCUMENTS:

- | | |
|---|---------------|
| 1. Technical Specifications and Addendum, thereto, Dated: | <u>3-1-78</u> |
| 2. Base List of Work, Dated: | <u>7-2-80</u> |
| 3. Alternates: | <u>None</u> |
| 4. Addendum, Dated: <u>8-26-80</u> | <u>#1</u> |
| | <u>#2</u> |

(8.) NOTICES:

Notices to be given by the Owner to the Contractor shall be considered given for the purpose of the Agreement is mailed by regular mail to the Contractor at 3801 MAIN ST.,
EAST CHICAGO, IND. PHONE 398-3311 (Present Address).
1-305-3311

(9.) SUPERINTENDENCE:

Name, telephone number, and address of one official, who will represent and be

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GENERAL CONDITIONS

ARTICLE 1. REHABILITATION LOANS AND GRANT

Contractor understands that owner proposes to pay for the work by means of a Community Development Block Grant rehabilitation loan and/or grant and/or a Section 312 rehabilitation loan payable through the Department of Redevelopment in and for the City of East Chicago hereinafter called the "Agency," and agrees that no payments shall be due him until the work is inspected and approved by the Agency and the owner and the Agency disburses the loan and grant. Contractor will cooperate with owner by furnishing lien waivers, releases, guarantees and warranties and other documents as required. If HUD does not approve this loan, both the owner and the Contractor have the option of terminating their obligations under this agreement.

ARTICLE 2. CONTRACT DOCUMENTS

The Contract includes the Bid or Proposal, the Agreement and its General Conditions, the Drawings, the List of Work, Specifications and Exhibits and Change-Orders and Addendums. The intent of these documents is to include all labor, materials, appliances and services of every kind necessary for the proper execution of the work and terms and conditions of payment therefor.

The Contract documents will be administered as comprising one General Agreement, and each document will be construed equally with all other documents.

ARTICLE 3. MATERIALS, APPLIANCES, EMPLOYEES

Except as otherwise noted, the Contractor shall provide and pay at his own expense for all materials, labor, tools, water, power and other items necessary to complete the work. Unless otherwise instructed, all materials shall be new, and both workmanship and materials shall be the best quality specified. All workmen and subcontractors shall be skilled in their trades. Contractor is to supply to the Owner, in care of the agency, in writing, no later than the date of the signing of the Contract, a list of all suppliers and subcontractors to be used in performing this contract, and prior to use of any others during the course of the work, to supply in the form of an Addendum, a revised list. The Owner reserves the right to have personnel removed from the job, who are not performing their services in a workmanlike manner.

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ARTICLE 4. INSTALLATION

All work and materials must be applied in accordance with the applicable manufacturer's last instructions and specifications. Any variations desired to be applied to the instructions or specifications, must be called to the Agency's attention prior to application and be approved in writing by the Agency and Owner.

ARTICLE 5. PERMITS, CODES AND LICENSES

The Contractor shall obtain and pay for all permits and licenses necessary for the completion and execution of the work, prior to commencing work. All Contractors and Subcontractors must be licensed in the City of East Chicago and Building, Plumbing, Electrical, and Mechanical Permits, when applicable, must be prominently displayed, throughout the course of the work, at the job-site. Strict compliance with municipal codes and ordinances shall be observed in all phases of construction work. The Contractor shall perform all work in conformance with applicable codes, laws and regulations of the City of East Chicago, State of Indiana, and/or Federal Government, whether or not covered by the List of Work, Specifications and Drawings for the work. If the Contractor observes that these documents are at variance with applicable laws, rules, ordinances and/or regulations bearing on the conduct of the work, he shall promptly notify the Agency in writing. Any necessary changes shall be adjusted as provided for in Article 8. If the Contractor performs work contrary to such laws, ordinances, etc, and without notice to the Agency, he shall bear all costs arising therefrom. In cases where the Specifications require a higher standard than the Code, the Specification shall prevail.

ARTICLE 6. PROTECTIONS OF WORK, PROPERTY AND PERSONS

The Contractor shall adequately protect all persons, the work, worksite, adjacent property, and the public, and shall be responsible for all damages or injury to persons or property, either on or off the work-site, due to his act or neglect in the prosecution of the work. All safety provisions required by local, state and federal laws and building construction codes, shall be observed. Machinery, equipment, and all hazards shall be guarded.

Furthermore, if the premises are to be occupied during construction, the Contractor shall not leave the property at the end of any working day without adequate heating, plumbing, electricity, and security, unless acceptable provisions have been made beforehand, and agreed upon in writing, and signed by both Owner and Contractor. If the Contractor fails to comply, upon notification to the Agency,

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the Owner may take the necessary steps to alleviate these conditions with the costs involved to be incurred by the Contractor. The Contractor shall also cover all carpets, floors and furniture in the work area with dropcloths. Passageways and hallways shall be kept clean of debris, lumber, or equipment, and bulk materials may not be stored in the building.

ARTICLE 7. ACCESS TO WORK

The Contractor shall permit and facilitate observation of the work by the Owner and his agents and the Agency, at all times.

ARTICLE 8. CHANGES IN THE WORK

If the Contractor wishes to make a claim for an increase in the Contract Sum, he shall give the Owner and Agency written notice thereof within twenty days after the occurrence of the event giving rise to such claim. This notice shall be given by the Contractor before proceeding to execute the work. Any change in the Contract Sum resulting from such claim shall be authorized by Change Order.

IT is agreed by the Contractor and Owner that all changes mutually agreed upon shall be in writing and signed by the parties to the Contract and the Agency before the changes may be performed. However, the Contractor and Owner will not make any agreements for additional work or materials without the Agency's written approval. The Contractor or Subcontractor will refrain from offering suggestions to Owners regarding changes in the Drawings, Plans, and Specifications. Such suggestions shall be

(Continued on attached Page 6-A)

ARTICLE 9. CORRECTION OF WORK AND GUARANTEE

The Contractor shall guarantee and re-execute, at his own expense, any work that fails to conform to the requirements of the contract and that appears during the progress of the work, and shall remedy any defects due to faulty materials or workmanship which appear within a period of one year from the date of final acceptance of all the work required by the contract, except in cases where specifications in the Contract Documents or the industry in question, require a longer warranty, in which cases the longer warranty shall prevail.

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ARTICLE 8. CHANGES IN THE WORK (Continued from Page 6)

offered directly to the Agency. When an Owner seeks a change, he shall also contact the Agency. These changes may include changes in the work, trade-offs, additions to the work, and deletion from the work, and the Contract Sum shall be adjusted accordingly. Where changes result in an increase in the Contract Sum, Owner must deposit this increased sum with the Agency to be added to their existing escrow account, in the event the total of the Contract increases exceeds the Owner's Contingency Deposit, before the work may be executed, and the Contractor must submit claim for extra cost to the Agency and Owner, prior to executing the work. No such change shall result in the elimination of any Code item or result in violation of any law or ordinance. Any agreements, which do not fulfill the above requirements, shall be considered null and void.

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The provisions of this article apply to work done by subcontractors as well as to work done by direct employees of the Contractor. Furthermore, the Contractor is to furnish the owner, with all manufacturer's and supplier's written guarantees and warranties covering materials and equipment furnished under the contract, prior to receipt of final payment.

ARTICLE 10. **OWNER'S RIGHT TO TERMINATE THE CONTRACT**

Should the Contractor fail to furnish materials or execute work in accordance with the provisions of this Contract, or fail to proceed with or complete the work within the time limit specified in this Contract, or if any of the provisions of this Contract are otherwise violated by the Contractor, then, in any case, after seven days written notice to the Contractor and his surety, if any, the Owner may, without prejudice to any other remedy he may have, make good the deficiencies and may deduct the cost thereof from the payment then or thereafter due to the Contractor, or at his option, shall have the right to declare the Contractor in default in the performance of his obligations under the Contract, and may terminate the Contract and take possession of all materials, tools, and appliances and finish the work by such means as he deems fit, with the approval of the agency. If the unpaid balance of the Contract price exceeds the expense of finishing the work, such excess shall be paid to the Contractor, but if such expense exceeds such unpaid balance, the Contractor shall pay the difference to the Owner.

ARTICLE 11. **CONTRACTOR'S RIGHT TO TERMINATE CONTRACT**

Should the work be stopped by any public authority for a period of thirty days or more, through no fault of the Contractor, or should the work be stopped through act or neglect of the Owner for a period of seven (7) days, or should the Owner fail to pay the Contractor any payment within fourteen (14) days after it is due, the Contractor upon seven (7) days written notice to the Owner and the Agency, may stop work or terminate the Contract and recover from the Owner, payment for all work executed and any loss sustained and reasonable profit and damages.

ARTICLE 12. **PAYMENTS AND APPLICATIONS FOR PAYMENTS**

Upon satisfactory completion of the work, the Contractor shall be paid the Contract price within twenty (20) days after the Department of Redevelopment receives the Contractor's invoice and satisfactory releases of liens or claims for liens by subcontractors, laborers and material suppliers, all warranties and guaranties, and signed delivery and acceptance of work by Homeowner. Upon the request of the Contractor and submission of proper documentation, partial payments up to 80% of each work item 100% satisfactorily completed, as determined by inspection by the Agency, will be made as work progresses and as it is approved by the Agency.

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Waivers or releases of liens from materials suppliers and subcontractors shall accompany each request. In the event payment is to be made as work progresses, a progress schedule that specifies the stages at which payment will be made and the percentage of the Contract price which will be paid, shall be established. Payments shall be made as provided in the Agreement. The making and acceptance of the first payments shall constitute a waiver of all claims by the Owner, other than those arising from unsettled liens or from faulty work appearing thereafter, as provided for in Article 9, and of all claims by the Contractor, except any previously made and still unsettled. Payments otherwise due may be withheld on account of defective work not remedied, liens filed, damage by the Contractor to others not adjusted, or failure to make payments properly to subcontractors or material suppliers for materials or labor.

ARTICLE 13. CONTRACTOR'S LIABILITY INSURANCE

The Contractor will carry Comprehensive Liability insurance coverage protecting the Owner and Contractor for not less than ONE HUNDRED THOUSAND DOLLARS/THREE HUNDRED THOUSAND DOLLARS on occurrence in the event of bodily injury, including death, and FIFTY THOUSAND DOLLARS in the event of property damage arising out of the work performed by the Contractor; satisfactory Workman's Compensation Insurance and Scaffold Act Insurance if the work required the use of any equipment designated under the Scaffold Act. Proper evidence of such insurance coverage shall be submitted to the Agency and Owner no later than the date of submission of proposal and prior to the issuance of any notice to proceed. Paragraph 2 of the agreement is modified to the extent that the time for which the Owner shall issue a notice to proceed shall not begin to run until such evidence of satisfactory insurance is received by the Agency.

ALL THE SUBCONTRACTORS SHALL BE REQUIRED TO CARRY SAME TYPE, AND AMOUNT AS INDICATED SPECIFIED ABOVE.

ARTICLE 14. FIRE INSURANCE

The Contractor shall effect and maintain builders risk insurance covering any loss by Fire, Theft, Extended Coverage Perils and Vandalism upon the entire structure on which the work of this Contract is to be done, to one hundred percent of the insurable value thereof.

All certification and policies shall contain a clause that ten (10) day notice of cancellation or material change of any policy will be given the Agency and Owner.

Proof of insurance as described in the above paragraphs, must be provided immediately upon request by the Agency or Owner.