INSTRUCTIONS TO BIDDERS

For The

2013 UNPAVED ROAD REMEDIATION PROJECT

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ARTICLE 1 – DEFINED TERMS

1.01 Terms used in these Instructions to Bidders have the meanings indicated in the General Conditions and Supplementary Conditions. Additional terms used in these Instructions to Bidders have the meanings indicated below:

A. *Issuing Office* – The office from which the Bidding Documents are to be issued and where the bidding procedures are to be administered.

B. *Bidder* - The individual or entity who submits a Bid directly to IDEQ.

C. *Successful Bidder* - The Bidder submitting a responsive Bid to whom IDEQ makes an award.

ARTICLE 2 – COPIES OF BIDDING DOCUMENTS

2.01 Complete sets of the Bidding Documents in the number and for the deposit sum stated in the advertisement or invitation to bid may be obtained from TerraGraphics Environmental Engineering, Inc. The deposit for the said documents is non-refundable.

2.02 Complete sets of Bidding Documents shall be used in preparing Bids; neither IDEQ nor the Engineer assumes any responsibility for errors or misinterpretations resulting from the use of incomplete sets of Bidding Documents.

2.03 IDEQ and their Engineer, in making copies of Bidding Documents available on the above terms, do so only for the purpose of obtaining Bids for the Work and do not authorize or confer a license or grant for any other use.

ARTICLE 3 – QUALIFICATIONS OF BIDDERS

3.01 Within 10 days of IDEQ's request, Bidder shall submit written evidence such as financial data, previous experience, present commitments, and such other data as may be deemed necessary to demonstrate Bidder's qualifications to perform the Work.

3.02 Bidder is advised to carefully review those portions of the Bid Form requiring Bidder's representations and certifications.

3.03 Idaho Code 54-1902 requires Bidder and subcontractors to have the appropriate Idaho Public Works Contractor's License to submit a Bid or proposal for this project. This project is financed in whole or in part with federal aid funds. A Public Works Contractor License is not required to Bid or propose, but will be required prior to award.

ARTICLE 4 – EXAMINATION OF BIDDING DOCUMENTS, OTHER RELATED DATA, AND SITE

4.01 *Subsurface and Physical Conditions*

A. The Supplementary Conditions identify:

1. Those reports known to IDEQ of explorations and tests of subsurface conditions at or contiguous to the Site.

2. Those drawings known to IDEQ of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities).

B. Copies of reports and drawings referenced in Paragraph 4.01.A will be made available by IDEQ to any Bidder on request. Those reports and drawings are not part of the Contract Documents, but the "technical data" contained therein upon which Bidder is entitled to rely as provided in Paragraph 4.02 of the General Conditions has been identified and established in Paragraph 4.02 of the Supplementary Conditions. Bidder is responsible for any interpretation or conclusion Bidder draws from any "technical data" or any other data, interpretations, opinions, or information contained in such reports or shown or indicated in such drawings.

4.02 *Underground Facilities*

A. Information and data shown or indicated in the Bidding Documents with respect to existing Underground Facilities at or contiguous to the Site is based upon information and data furnished to IDEQ and their Engineer by owners of such Underground Facilities, or others.

4.03 *Hazardous Environmental Condition*

A. The Supplementary Conditions identify any reports and drawings known to IDEQ relating to a Hazardous Environmental Condition identified at the Site.

B. Copies of reports and drawings referenced in Paragraph 4.03.A will be made available by IDEQ to any Bidder on request. Those reports and drawings are not part of the Contract Documents, but the "technical data" contained therein upon which Bidder is entitled to rely as provided in Paragraph 4.06 of the General Conditions has been identified and established in Paragraph 4.06 of the Supplementary Conditions. Bidder is responsible for any interpretation or conclusion Bidder draws from any "technical data" or any other data, interpretations, opinions, or information contained in such reports or shown or indicated in such drawings.

4.04 Provisions concerning responsibilities for the adequacy of data furnished to prospective Bidders with respect to subsurface conditions, other physical conditions, and Underground Facilities, and possible changes in the Bidding Documents due to differing or unanticipated subsurface or physical conditions appear in Paragraphs 4.02, 4.03, and 4.04 of the General Conditions. Provisions concerning responsibilities for the adequacy of data furnished to prospective Bidders with respect to a Hazardous Environmental Condition at the Site, if any, and possible changes in the Contract Documents due to any Hazardous Environmental Condition uncovered or revealed at the Site which was not shown or indicated in the Drawings or Specifications or identified in the Contract Documents to be within the scope of the Work, appear in Paragraph 4.06 of the General Conditions.

4.05 On request, IDEQ will provide Bidder access to the Site to conduct such examinations, investigations, explorations, tests, and studies as Bidder deems necessary for submission of a Bid. Bidder shall fill all holes and clean up and restore the Site to its former condition upon completion of such explorations, investigations, tests, and studies. Bidder shall comply with all

applicable Laws and Regulations relative to excavation and utility locates. Examination shall be performed at the expense of the Bidder unless otherwise approved.

4.06 Reference is made to Article 7 of the Supplementary Conditions for the identification of the general nature of other work that is to be performed at the Site by IDEQ or others (such as utilities and other prime contractors) that relates to the Work contemplated by these Bidding Documents. On request, IDEQ will provide to each Bidder for examination access to or copies of contract documents (other than portions thereof related to price) for such other work.

4.07 It is the responsibility of each Bidder before submitting a Bid to:

A. examine and carefully study the Bidding Documents, and the other related data identified in the Bidding Documents;

B. visit the Site and become familiar with and satisfy Bidder as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work;

C. become familiar with and satisfy Bidder as to all federal, state, and local Laws and Regulations that may affect cost, progress, and performance of the Work;

D. carefully study all: (1) all drawings of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities) that have been identified in Paragraph 4.02 of the Supplementary Conditions as containing reliable "technical data," and (2)-reports and drawings of Hazardous Environmental Conditions at the Site that have been identified in the Paragraph 4.06 of the Supplementary Conditions as containing reliable "technical data";

E. consider the information known to Bidder; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Bidding Documents; and the Site-related reports and drawings identified in the Bidding Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder, including applying any specific means, methods, techniques, sequences, and procedures of construction expressly required by the Bidding Documents; and (3) Bidder's safety precautions and programs;

F. agree at the time of submitting its Bid that no further examinations, investigations, explorations, tests, studies, or data are necessary for the determination of its Bid for performance of the Work at the price(s) bid and within the times required, and in accordance with the other terms and conditions of the Bidding Documents;

G. become aware of the general nature of the work to be performed by IDEQ and others at the Site that relates to the Work as indicated in the Bidding Documents;

H. promptly give Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder discovers in the Bidding Documents and confirm that the written resolution thereof by Engineer is acceptable to Bidder; and

I. determine that the Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for the performance of the Work.

4.08 The submission of a Bid will constitute an incontrovertible representation by Bidder that Bidder has complied with every requirement of this Article 4, that without exception the Bid is premised upon performing and furnishing the Work required by the Bidding Documents and applying any specific means, methods, techniques, sequences, and procedures of construction that may be shown or indicated or expressly required by the Bidding Documents, that Bidder has given Engineer written notice of all conflicts, errors, ambiguities, and discrepancies that Bidder has discovered in the Bidding Documents and the written resolutions thereof by Engineer are acceptable to Bidder, and that the Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performing and furnishing the Work.

ARTICLE 5 – PRE-BID CONFERENCE

5.01 A pre-Bid conference will be held at 2:00 pm local time on August 23, 2013 at IDEQ, 1005 W. McKinley Ave., Kellogg, ID 83837. Representatives of IDEQ and Engineer will be present to discuss the Project. Bidders are encouraged to attend and participate in the conference. Engineer will transmit to all prospective Bidders of record such Addenda as Engineer considers necessary in response to questions arising at the conference. Oral statements may not be relied upon and will not be binding or legally effective. Addenda will be available through DEQ's website at www.deq.idaho.gov.

ARTICLE 6 – SITE AND OTHER AREAS

6.01 The Site is identified in the Bidding Documents. Easements for permanent structures or permanent changes in existing facilities are to be obtained and paid for by IDEQ unless otherwise provided in the Bidding Documents. All additional lands and access thereto required for temporary construction facilities, construction equipment, or storage of materials and equipment to be incorporated in the Work are to be obtained and paid for by Contractor.

ARTICLE 7 – INTERPRETATIONS AND ADDENDA

7.01 Addenda will be available through DEQ's website at www.deq.idaho.gov. All questions about the meaning or intent of the Bidding Documents are to be submitted to Engineer in writing by 12:00 noon on August 20, 2013. Interpretations or clarifications in response to such questions will be discussed at the pre-Bid conference and included in the Addenda mailed or delivered to all parties recorded by Engineer as having received the Bidding Documents. Only questions answered by Addenda will be binding. Oral and other interpretations or clarifications will be without legal effect.

7.02 Addenda may be issued to clarify, correct, or change the Bidding Documents as deemed advisable by IDEQ or Engineer.

ARTICLE 8 – BID SECURITY

8.01 A Bid must be accompanied by Bid security made payable to IDEQ in an amount of five percent of Bidder's maximum Bid price and in the form of cash, a certified check, cashier's check, or a

Bid bond (on the form attached) issued by a surety meeting the requirements of Paragraphs 5.01 and 5.02 of the General Conditions.

8.02 The Bid security of the Successful Bidder will be retained until such Bidder has executed the Contract Documents, furnished the required contract security and met the other conditions of the Notice of Award, whereupon the Bid security will be returned. If the Successful Bidder fails to execute and deliver the Contract Documents and furnish the required contract security within 15 days after the Notice of Award, IDEQ may consider Bidder to be in default, annul the Notice of Award, and the Bid security of that Bidder will be forfeited. Such forfeiture shall be IDEQ's exclusive remedy if Bidder defaults. The Bid security of other Bidders whom IDEQ believes to have a reasonable chance of receiving the award may be retained by IDEQ until the earlier of seven days after the Effective Date of the Agreement or 61 days after the Bid opening, whereupon Bid security furnished by such Bidders will be returned.

8.03 Bid security of other Bidders whom IDEQ believes do not have a reasonable chance of receiving the award will be returned within seven days after the Bid opening.

ARTICLE 9 – CONTRACT TIMES

9.01 The Work is to be substantially completed and ready for final payment 60 days after the Notice to Proceed has been issued, and as further set forth in the Agreement.

ARTICLE 10 – LIQUIDATED DAMAGES

10.01 Provisions for liquidated damages are set forth in the Agreement.

ARTICLE 11 – SUBSTITUTE AND "OR-EQUAL" ITEMS

11.01 The Contract, if awarded, will be on the basis of materials and equipment specified or described in the Bidding Documents without consideration of possible substitute or "or-equal" items. Whenever it is specified or described in the Bidding Documents that a substitute or "or-equal" item of material or equipment may be furnished or used by Contractor if acceptable to Engineer, application for such acceptance will not be considered by Engineer until after the Effective Date of the Agreement.

ARTICLE 12 – PREPARATION OF BID

12.01 The Bid Form is included with the Bidding Documents. Additional copies may be obtained from IDEQ.

12.02 All blanks on the Bid Form shall be completed in ink and the Bid Form signed. Erasures or alterations shall be initialed in ink by the person signing the Bid Form. A unit price and Bid price shall be indicated for each Bid item listed therein, as well as, the total Bid price. In the case of optional alternatives the words "No Bid," "No Change," or "Not Applicable" may be entered.

12.03 A Bid by a corporation shall be executed in the corporate name by the president or a vice-president or other corporate officer accompanied by evidence of authority to sign. The corporate address and state of incorporation shall be shown.

12.04 A Bid by a partnership shall be executed in the partnership name and signed by a partner (whose title must appear under the signature), accompanied by evidence of authority to sign. The official address of the partnership shall be shown.

12.05 A Bid by a limited liability company shall be executed in the name of the firm by a member and accompanied by evidence of authority to sign. The state of formation of the firm and the official address of the firm shall be shown.

12.06 A Bid by an individual shall show the Bidder's name and official address.

12.07 A Bid by a joint venture shall be executed by each joint venturer in the manner indicated on the Bid Form. The official address of the joint venture shall be shown. Include evidence of authority to sign.

12.08 All names shall be printed in ink below the signatures.

12.09 The Bid shall contain an acknowledgment of receipt of all Addenda, the numbers of which shall be filled in on the Bid Form.

12.10 Postal and e-mail addresses and telephone number for communications regarding the Bid shall be shown.

12.11 The Bid shall contain evidence of Bidder's authority and qualification to do business in the state where the Project is located, or Bidder shall covenant in writing to obtain such authority and qualification prior to award of the Contract and attach such covenant to the Bid. Bidder's state contractor license number, if any, shall also be shown on the Bid Form.

12.12 The Bid shall contain evidence of Bidder's authority and qualification to do business in Idaho. If the project is federally funded, signing the Bid Form constitutes a covenant to obtain such qualification prior to award of the Contract. Bidder's Idaho Public Works Contractor License Number shall also be shown on the Bid form.

ARTICLE 13 – BASIS OF BID; COMPARISON OF BIDS

13.01 *Unit Price*

A. Bidders shall submit a Bid on a unit price basis for each item of Work listed in the Bid schedule.

B. The total of all estimated prices will be the sum of the products of the estimated quantity of each item and the corresponding unit price. The final quantities and Contract Price will be determined in accordance with Paragraph 11.03 of the General Conditions.

C. Discrepancies between the multiplication of units of Work and unit prices will be resolved in favor of the unit prices. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum.

13.02 *Allowances*

A. For cash allowances the Bid price shall include such amounts as the Bidder deems proper for Contractor's overhead, costs, profit, and other expenses on account of cash allowances, if any, named in the Contract Documents, in accordance with Paragraph 11.02.B of the General Conditions.

ARTICLE 14 – SUBMITTAL OF BID

14.01 A copy of the Bid Form (enclosed in the Bid Documents) is to be completed and submitted with the Bid security.

14.02 A Bid shall be submitted no later than the date and time prescribed and at the place indicated in the advertisement or invitation to bid and shall be enclosed in a plainly marked package with the Project title, the name and address of Bidder, and shall be accompanied by the Bid security and other required documents. If a Bid is sent by mail or other delivery system, the sealed envelope containing the Bid shall be enclosed in a separate package plainly marked on the outside with the notation "BID ENCLOSED." A mailed Bid shall be addressed to IDEQ Fiscal Office, 1410 North Hilton, Boise, ID 83706.

ARTICLE 15 – MODIFICATION AND WITHDRAWAL OF BID

15.01 A Bid may be modified or withdrawn by an appropriate document duly executed in the same manner that a Bid must be executed and delivered to the place where Bids are to be submitted prior to the date and time for the opening of Bids.

15.02 Relief from Bids. (a) If an awarding authority for the public entity determines that a Bidder is entitled to relief from a Bid because of mistake, the authority shall prepare a report in writing to document the facts establishing the existence of each element required in Section 54-1904C, Idaho Code. The report shall be available for inspection as a public record and shall be filed with the public entity soliciting bids. (b) A Bidder claiming a mistake satisfying all the conditions of Section 54-1904C, Idaho Code, shall be entitled to relief from the Bid and have any Bid Security returned by the public entity. Bidders not satisfying the conditions found in Section 54-1904C, Idaho Code, shall forfeit any Bid Security. Bidders failing to execute a Contract and not satisfying the conditions of a mistake shall also forfeit any Bid Security.

15.03 Grounds for Relief. The Bidder shall establish to the satisfaction of the public entity that:

a) A clerical or mathematical mistake was made;

b) The Bidder gave the public entity written notice within five (5) calendar days after the opening of the bids of the mistake, specifying in the notice in detail how the mistake occurred; and

c) The mistake was material.

ARTICLE 16 – OPENING OF BIDS

16.01 Bids will be opened at the time and place indicated in the Advertisement or Invitation to Bid and, unless obviously non-responsive, read aloud publicly. An abstract of the amounts of the base Bids and major alternates, if any, will be made available to Bidders after the opening of Bids.

ARTICLE 17 – BIDS TO REMAIN SUBJECT TO ACCEPTANCE

17.01 All Bids will remain subject to acceptance for the period of time stated in the Bid Form, but IDEQ may, in its sole discretion, release any Bid and return the Bid security prior to the end of this period.

ARTICLE 18 – EVALUATION OF BIDS AND AWARD OF CONTRACT

18.01 IDEQ reserves the right to reject any or all Bids, including without limitation, nonconforming, nonresponsive, unbalanced, or conditional Bids. IDEQ further reserves the right to reject the Bid of any Bidder whom it finds, after reasonable inquiry and evaluation, to not be responsible. IDEQ may also reject the Bid of any Bidder if IDEQ believes that it would not be in the best interest of the Project to make an award to that Bidder. IDEQ also reserves the right to waive all informalities not involving price, time, or changes in the Work and to negotiate contract terms with the Successful Bidder.

18.02 More than one Bid for the same Work from an individual or entity under the same or different names will not be considered. Reasonable grounds for believing that any Bidder has an interest in more than one Bid for the Work may be cause for disqualification of that Bidder and the rejection of all Bids in which that Bidder has an interest.

18.03 In evaluating Bids, IDEQ will consider whether or not the Bids comply with the prescribed requirements, and such alternates, unit prices and other data, as may be requested in the Bid Form or prior to the Notice of Award.

18.04 In evaluating Bidders, IDEQ will consider the qualifications of Bidders and may consider the qualifications and experience of Subcontractors, Suppliers, and other individuals or entities proposed for those portions of the Work for which the identity of Subcontractors, Suppliers, and other individuals or entities must be submitted as provided in the Supplementary Conditions.

18.05 IDEQ may conduct such investigations as IDEQ deems necessary to establish the responsibility, qualifications, and financial ability of Bidders, proposed Subcontractors, Suppliers, individuals, or entities proposed for those portions of the Work in accordance with the Contract Documents.

18.06 If the Contract is to be awarded, IDEQ will award the Contract to the Bidder whose Bid is in the best interests of the Project.

ARTICLE 19 – CONTRACT SECURITY AND INSURANCE

19.01 Article 5 of the General Conditions, as may be modified by the Supplementary Conditions, sets forth IDEQ's requirements as to performance and payment bonds and insurance. When the

Successful Bidder delivers the executed Agreement to IDEQ, it shall be accompanied by such bonds.

ARTICLE 20 – SIGNING OF AGREEMENT

20.01 When IDEQ issues a Notice of Award to the Successful Bidder, it shall be accompanied by the required number of unsigned counterparts of the Agreement along with the other Contract Documents which are identified in the Agreement as attached thereto. Within 15 days thereafter, Successful Bidder shall sign and deliver the required number of counterparts of the Agreement and attached documents to IDEQ. Within ten days thereafter, IDEQ shall deliver one fully signed counterpart to Successful Bidder with a complete set of the Drawings with appropriate identification.

ARTICLE 21 – SALES AND USE TAXES

21.01 Refer to Article 6 of the General Conditions for tax requirements.

ARTICLE 22 – RETAINAGE

22.01 Provisions for retainage are as established in Article 6 of the Agreement.

ARTICLE 23 – PREVAILING WAGE RATES

23.01 Contractors are required to pay prevailing wage rates. Current DBA Wage Decisions for Shoshone County in Idaho, Heavy Construction shall apply. Contractor shall provide certified payroll to IDEQ in accordance with current Davis-Bacon act reporting requirements.