AMERICAN WATER

SCHEDULE G - GENERAL CONDITIONS

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GC.1 DEFINITIONS

Wherever used in this Schedule G – General Conditions, the following meanings shall be given to the terms herein defined. Any capitalized terms used herein and not specifically defined herein shall have the meanings set forth in the Subcontract.

(1) The term "Calendar Day" means every day shown on the calendar.

(2) The term "Design Engineer" means any person or persons designated in the Subcontract to furnish engineering services in connection with the Subcontract.

(3) The term "Plans" or "Drawings" means the official drawings or exact reproductions which show the location, character, and details of the work contemplated, and which are to be considered part of the Subcontract, supplementary to the specifications.

(4) The term "Specifications" means a part of the Subcontract containing the written directions and requirements for completing the Subcontract work. Standards for specifying materials, or testing, which are sited in the specifications by reference shall have the same force and effect as if included in the Subcontract physically.

(5) The term "Lower Tier Subcontractors" shall mean the individual, partnership or corporation entering into an agreement with the Subcontractor to perform any portion of the work covered by the Plans and Specifications.

(6) The term "Surety" shall mean any person, firm, or corporation that has executed, as Surety, the Subcontractor's performance bond securing the performance of the Subcontract.

(7) The term "Technical Specifications" means that part of the Contract Documents which describes, outlines and stipulates the quality of the materials to be furnished; the quality of workmanship required; and the controlling requirements to be met in carrying out the construction work to be performed under this Subcontract. This also includes special provisions.

(8) The term "Work" shall mean the furnishing of all necessary labor, tools, equipment, appliances, supplies, and material other than materials furnished by AW as specified to complete the construction covered by the Plans and Specifications.

(9) The term "Substantial Completion", unless otherwise defined in a specific Statement of Work, Task Order, Purchase Order, or Change Order, shall mean the completion of the project to the extent that all component parts are suitable for their intended use and the final punch list has been completed. AW, at its sole discretion, may waive punch list items required for substantial completion.

GC.2 SUPERINTENDENCE BY SUBCONTRACTORS

Except where the Subcontractor is an individual and gives his personal superintendence to the work, the Subcontractor shall provide a competent superintendent, satisfactory to AW and the Design Engineer, to be present on the work at all times during working hours with full authority to supervise and direct the work and who shall be the Subcontractor's agent responsible for the faithful discharge of the Subcontractor's obligations under the Subcontract. During working hours, the Subcontractor's superintendent shall be equipped with a mobile phone or other communication device suitable to the Design Engineer for contact by the Design Engineer or AW. The superintendent appointed by the

Subcontractor shall be the same person as the Project Manager required by section 9.0 (Project Management) of the Subcontract.

AW shall have the authority to require the Subcontractor to remove from the work any superintendent who AW determines to be incompetent or insubordinate.

GC.3 SUBCONTRACTOR'S EMPLOYEES

The Subcontractor shall employ only competent skillful workers and shall at all times enforce strict discipline and good order among the employees.

The Subcontractor shall neither permit nor suffer the introduction or use of alcoholic beverages or controlled substances upon or about the work embraced in this Subcontract. Subcontractor shall abide by the Drug Free Workplace requirements found in FAR 52.223-6.

AW may require the Subcontractor to dismiss from the work such employee or employees as AW may deem unacceptable under Section 9.2 (Removal) of the Subcontract.

GC.4 SAFETY OF SUBCONTRACTOR'S EMPLOYEES

The Subcontractor shall be responsible for the safety of its employees during the progress of the work as well as the safety, efficiency, and adequacy of its plant, appliances, and methods, and for any damage, which may result from their failure or their improper construction, maintenance, or operation.

GC.5 LOWER TIER SUBCONTRACTORS

The Subcontractor is responsible to AW for the acts and omissions of his Lower Tier Subcontractors and of persons either directly or indirectly employed, by the Lower Tier Subcontractors and is aware that nothing contained in the Contract Documents shall create any contractual relation or privity of contract between any Lower Tier Subcontractor and AW.

GC.6 OTHER SUBCONTRACTS

AW may award, or may have awarded other subcontracts for, additional work, and the Subcontractor shall cooperate fully with such other subcontractors, by scheduling its work with that to be performed under other subcontracts as may be directed by AW. The Subcontractor shall not commit or permit any act which will interfere with the performance of work by any other subcontractor as scheduled.

GC.7 FITTING AND COORDINATION OF THE WORK

The Subcontractor shall be responsible for the proper fitting of all work and for the coordination of the operations of all trades, Lower Tier Subcontractors, or materialmen engaged in connection with this Subcontract. It shall be prepared to guarantee to each of its Lower Tier Subcontractors the locations and measurements which they may require for the fitting of their work to all surrounding work.

GC.8 MUTUAL RESPONSIBILITY OF SUBCONTRACTORS

If, through acts of neglect or as a result of Subcontractor's failure to comply with any applicable law or regulation enacted or promulgated by any federal, state or local governmental entity with lawful jurisdiction, any other subcontractor or any Lower Tier Subcontractor shall suffer loss or damage on the work, the Subcontractor shall settle with such other Subcontractor or Lower Tier Subcontractor by agreement or arbitration, if such other subcontractor or Lower Tier Subcontractor will so settle. If such other subcontractor or Lower Tier Subcontractor shall assert any claim against AW on account of any damage alleged to have been so sustained, AW will notify the Subcontractor, who shall defend at his own expense any suit based upon such claim, and, if any judgment or claims against AW shall be allowed, the Subcontractor shall pay or satisfy such judgment or claim and pay all costs and expenses in connection therewith.

GC.9 USE OF COMPLETED PORTIONS

AW shall have the right to use any completed or partially completed portion of the work and such use shall not be considered as an acceptance of any work.

GC.10 CHANGES IN THE WORK

AW may make changes in the scope of the work required to be performed by the Subcontractor under the Subcontract or make additions thereto, or omit work therefrom without invalidating the Subcontract, and without relieving or releasing the Subcontractor from any of its obligations under the Subcontract or any guarantee given by it pursuant to the Subcontract provisions, and without affecting the validity of the guaranty bonds, and without relieving or releasing the Surety or Sureties of said bonds. All such work shall be executed under the terms of the original Subcontract unless it is expressly provided otherwise.

Except for the purpose of affording protection against any emergency endangering life or property, the Subcontractor shall make no change in the materials used or in the specified manner of constructing and/or installing the improvements, or supply additional labor, services or materials beyond that actually required for the execution of the Subcontract, unless in pursuance of a written order from AW authorizing the Subcontractor to proceed with the change, issued in accordance with section 7.0 (Changes to Subcontractor Services). No claim for an adjustment of the Subcontract price will be valid unless so ordered.

GC.11 DISPUTES

All disputes arising under this Subcontract or its interpretation, whether involving law or fact or both, or extra work, and all claims for alleged breach of Subcontract shall, within ten (10) calendar days of commencement of the dispute, be presented by the Subcontractor to AW for decision. All papers pertaining to claims shall be filed in quadruplicate. Such notice need not detail the amount of the claim, but shall state the facts surrounding the claim in sufficient detail to identify the claim, together with its character and scope. In the meantime, the Subcontractor shall proceed with the work as directed. Any claim not presented within the time limit specified within this paragraph shall be deemed to have been waived, except that if the claim is of a continuing character and notice of the claim is not given within ten (10) calendar days of its commencement, the claim will be considered only for a period commencing ten (10) calendar days prior to the receipt by AW of notice thereof.

The Subcontractor shall submit in detail his claim and his proof thereof. Each decision by AW will be

in writing and will be sent to the Subcontractor in accordance with Section 21.7 (Notices) of the Subcontract.

If the Subcontractor does not agree with any decision of AW, Subcontractor shall in no case allow the dispute to delay the work, but shall notify AW promptly that it is proceeding with the work under protest, and may then seek such other redress as is allowed by law. The Contract Disputes Act shall not apply to this Subcontract.

GC.12 TECHNICAL SPECIFICATIONS AND DRAWINGS

The Drawings, Specifications and Schedule A are to be considered cooperative. All work necessary for the completion of any facility shown on the Drawings, but not described in Schedule A, or described in Schedule A but not shown in the Specifications or Drawings, OR REASONABLY IMPLIED BY EITHER OR BOTH, shall be executed in the best manner, the same as if fully shown and specified. When no figures or memoranda are given, the Drawings shall be accurately followed, but in all cases of discrepancy in figures or details, the decision of the Design Engineer shall be obtained before proceeding with the Work. If the Subcontractor adjusts any such discrepancy without first having obtained the approval of the Design Engineer, it shall be at Subcontractor's own risk, and Subcontractor shall bear any extra expense resulting therefrom.

GC.13 SHOP DRAWINGS

Shop drawings shall be required for all equipment, materials, and as required by the Design Engineer. All shop drawings, machinery details, layout drawings, etc., shall be submitted to the Design Engineer in five (5) copies for review (unless otherwise specified) sufficiently in advance of requirements to afford ample time for checking, including time for correcting, resubmitting, and rechecking if necessary. The Subcontractor may proceed, only at his own risk, with manufacture or installation of any equipment or work covered by said shop drawings, etc. until they are reviewed, and approved; and no claim, by the Subcontractor, for extension of the Subcontract time will be granted by reason of its failure in this respect.

Any Drawings submitted without the Subcontractor's stamp of approval will not be considered and will be returned to Subcontractor for proper resubmission. If any Drawings show variations from the requirements of the Subcontract because of standard shop practice or other reason, the Subcontractor shall make specific mention of such variation in its letter of transmittal in order that, if acceptable, suitable action may be taken for proper adjustment of Subcontract price and/or time; otherwise, the Subcontractor will not be relieved of the responsibility for executing the work in accordance with the Subcontract even though the Drawings have been reviewed.

The review of shop drawings by the Design Engineer shall be considered an accommodation to the Subcontractor to assist in the execution of the Subcontract. The Design Engineer's review of such Drawings shall not relieve the Subcontractor of responsibility to perform the work in strict accordance with the Plans and Specifications, and approved changes.

If the Shop Drawing is in accordance with the Subcontract or involves only a minor adjustment in the interest of AW not involving a change in Subcontract price or time, the Design Engineer shall so stamp the drawing and shall contain in substance the following:

> "Corrections or comments made on the shop drawings during this review do not relieve Subcontractor from compliance with requirements of the drawings and specifications. This check is only for review of general conformance with the design concept of the project and

general compliance with the information given in the Subcontract documents. The Subcontractor is responsible for: confirming and correlating all quantities and dimensions; selecting fabrication processes and techniques of construction; coordinating its work with that of all other trades; and performing its work in a safe and satisfactory manner".

GC.14 REQUESTS FOR SUPPLEMENTARY INFORMATION

It shall be the responsibility of the Subcontractor to make timely requests of AW for any additional information not already in its possession which should be furnished by AW under the terms of this Subcontract, and which it will require in the planning and execution of the work. Such requests may be submitted from time to time as the need is approached, but each shall be filed in ample time to permit appropriate action to be taken by all parties involved so as to avoid delay. Each request shall be in writing, and shall list the various items and the latest date by which each will be required by the Subcontractor. The Subcontractor shall, if requested, furnish promptly any assistance and information the Design Engineer may require in responding to these requests of the Subcontractor. The Subcontractor shall be fully responsible for any delay in its work or to others arising from its failure to comply fully with the provisions of this Section. Failure of AW to provide any additional information shall not be considered ground for an increase in charges above those contained in the applicable Task Order, Purchase Order or Statement of Work.

GC.15 REFERENCE TO MANUFACTURER OR TRADE NAME - "OR EQUAL" CLAUSE

If the Plans, Specifications, or Contract Documents, laws, ordinances or applicable rules and regulations permit the Subcontractor to furnish or use a substitute that is equal to any material or equipment specified, and if the Subcontractor wishes to furnish or use a proposed substitute, it shall make written application to the Design Engineer for approval of such a substitute certifying in writing that the proposed substitute will perform adequately the functions called for in the general design, be similar and of equal substance to that specified, be suited to the same use and capable of performing the same functions as that specified, and identifying all variations of the proposed substitute from specified and indicating available maintenance service; the use of such substitute will not require revisions of related work. No substitute shall be ordered or installed without the written approval of the Design Engineer, who will be the judge of equality and may require the Subcontractor to furnish such other data regarding the proposed substitute, as he considers pertinent. No substitute shall be ordered or installed without such performance guarantee and bonds as AW may require, which shall be furnished at Subcontractor's expense.

Where such substitutions alter the design or space requirements indicated on the Drawings, detailed drawings shall be prepared and submitted by the Subcontractor delineating any changes in, or additions to, the work shown on the Drawings, and such drawings and changes or additions to the work shall be made by the Subcontractor at no additional expense to AW. In all cases, the burden of proof that the material or equipment offered for substitution is equal in construction, efficiency, and service to that named on the Drawings and in the Contract Documents shall rest on the Subcontractor, and unless the proof is satisfactory to the Design Engineer, the substitution will not be approved.

GC.16 SAMPLES, CERTIFICATES, AND TESTS

The Subcontractor shall submit all material, product, or equipment samples, descriptions, certificates, affidavits, as called for in the Contract Documents or required by the Design Engineer, promptly after award of the Subcontract and acceptance of the Subcontractor's bond. No such material or

equipment shall be manufactured or delivered to the site, except at the Subcontractor's own risk, until the required samples or certificates have been approved in writing by the Design Engineer. Any delay in the work caused by late or improper submission of samples or certificates for approval shall not be considered just cause for an extension of the Subcontract time. Subcontractor shall submit four (4) copies of data for the Design Engineers/ or AW's review as required.

Each sample submitted by the Subcontractor shall carry a label giving the name of the Subcontractor, the project for which it is intended, and the name of the producer. The accompanying certificate or letter from the Subcontractor shall state that the sample complies with Subcontract requirements, shall give the name and brand of the product, its place of origin, the name and address of the producer, and all specifications or other detailed information which will assist the Design Engineer in passing upon the acceptability of the sample promptly. It shall also include the statement that all materials or equipment furnished for use in the project will comply with the samples and/or certified statements.

Approval of any materials shall be general only and shall not constitute a waiver of AW's right to demand full compliance with Subcontract requirements. After actual deliveries, the Design Engineer will have such inspections made as he deems necessary in each instance. The Design Engineer may reject materials, equipment and/or accessories for cause, even though such materials have been given general approval. If materials, equipment or accessories which fail to meet check tests have been incorporated in the work, the Design Engineer will have the right to cause their removal and replacement with conforming materials or to demand and secure such reparation by the Subcontractor as is equitable, at the Subcontractor's expense.

Except as otherwise specifically stated in the Subcontract, the costs of sampling and testing will be divided as follows:

(1) The Subcontractor shall furnish without extra cost, including packing and delivery charges, all samples required for testing purposes, except those samples taken on the project by the Design Engineer;

(2) The Subcontractor shall assume all costs of re-testing materials which fail to meet Subcontract requirements;

(3) The Subcontractor shall assume all costs of testing materials offered in substitution for those found deficient; and

GC.17 PERMITS AND CODES

The Subcontractor shall give all notices required by and comply with all applicable laws, ordinances, and codes of the federal, state or local governments. All construction work and/or utility installations shall comply with all applicable ordinances and codes, including all written waivers.

Should the Subcontractor fail to observe the foregoing provisions and proceed with the construction and/or install any utility at variance with any applicable ordinance or code, including any written waivers, the Subcontractor shall remove such work without cost to AW.

Unless otherwise specified in a Task Order, Purchase Order, or Statement of Work issued under the Subcontract, the Subcontractor shall, at its own expense, secure and pay to the appropriate department of the local government the fees or charges for all permits for street pavements, sidewalks, sheds, removal of abandoned water taps, sealing of house connection drains, pavement cuts, building, electrical, plumbing, water, gas, and sewer required by the local regulatory body or

any of its agencies.

The Subcontractor shall comply with all federal, state or applicable local laws and ordinances or regulations or policies promulgated by the US Government or any of its departments, services or agencies, including but not limited to the Commander of the Installation where the work is to be undertaken, governing the disposal of surplus excavation, materials, debris, and rubbish on or off the site of the work, and commit no trespass on any public or private property in any operation due to or connected with the improvements embraced in the Subcontract.

GC.18 CARE OF WORK

The Subcontractor alone shall be responsible for the safety, efficiency, and adequacy of its plant, appliances, and methods, and for any injury, including death, to any person, and for any damage to property, which may result from its failure, or from its improper construction, maintenance, or operation. Subcontractor shall indemnify and save harmless AW and its employees, agents, directors, officers, successors and assigns against any claims judgment with costs, which may be obtained as a result of such injury or property damage.

The Subcontractor shall be responsible for the proper care and protection of all materials delivered and work performed until completion and final acceptance, whether or not the same has been covered in whole or in part by payments made by AW.

In an emergency affecting the safety of life or property, including adjoining property, the Subcontractor, without special instructions or authorization from AW, is authorized to act at his discretion to prevent such threatened loss or injury, and Subcontractor shall so act. Subcontractor shall likewise act if instructed to do so by AW. Any compensation claimed by the Subcontractor on account of such emergency work will be determined by AW as provided in section 7 (Changes to Subcontractor Services) of the Subcontract.

The Subcontractor shall avoid damage, as a result of its operations, to property, including without limitation existing sidewalks, streets, curbs, pavements, utilities (except those which are to be replaced or removed), and adjoining property, and it shall at its own expense completely repair any damage thereto caused by its operations, to the satisfaction of AW.

The Subcontractor shall shore up, brace, underpin, secure, and protect as may be necessary, all foundations and other parts of existing structures adjacent to, adjoining, and in the vicinity of the site, which may be in any way affected by the excavations or other operations connected with the construction of the improvements embraced in this Subcontract. The Subcontractor shall be responsible for the giving of any and all required notices to any adjoining or adjacent property owner or other party before the commencement of any work.

The Subcontractor shall indemnify and save harmless AW from any and all claims and damages arising from or related to any settlements or the loss of lateral support of adjoining property and from all loss or expense and all damages.

GC.19 QUALITY OF WORK AND PROPERTY

All property, materials, and equipment shall be new and free of defects upon completion of the Subcontractor's performance and, unless different standards are specified elsewhere in the Contract Documents, shall be of the best type and quality available for the purpose. All of the Subcontractor's work shall be performed with the highest degree of skill and completed free of defects and in

accordance with the Contract Documents. Any work, property, materials, or equipment not in conformance with these standards shall be considered defective. If any work, property, materials or equipment is discovered to have been defective or not in conformance with the Contract Documents, whether said discovery is made before or after completion of performance, the Subcontractor, at its expense, after written notice from AW or the Design Engineer, shall promptly replace or correct the deficiency and pay any engineering costs and consequential expense or damage incurred by AW in connection therewith. If the Subcontractor fails to promptly correct all deficiencies, AW shall have the option of remedying the defects at the Subcontractor's cost. If the Subcontractor is required to furnish shop drawings or designs, the above provisions shall apply to such drawings or designs.

Neither AW's payment, acceptance, inspection or use of the work, property, materials, or equipment, nor any other provision of the Contract Documents shall constitute acceptance of work, property, materials, or equipment which are defective or not in accordance with the Contract Documents. If the Subcontractor breaches any provision of the Contract Documents with respect to the quality of the work, property, materials, equipment or performance, whether initial or corrective, its liability to AW shall continue until the statute of limitations with respect to such breach of Subcontract has expired following discovery of the defect. All parts of this section are cumulative to any other provisions of the Contract Documents and not in derogation thereof. If it is customary for a warranty to be issued for any of the property to be furnished hereunder, such warranty shall be furnished, but no limitations in any such warranty shall reduce the obligations imposed upon the Subcontractor in the Contract Documents or by State law; if any greater obligations than imposed in this Subcontract are specified in any such warranty or by State law, those greater obligations shall be deemed a part of this Subcontract and enforceable by AW.

GC.20 ACCIDENT PREVENTION

The Subcontractor shall exercise proper precaution at all times for the protection of persons and property and shall be responsible for all damages to persons or property, either on or off the site, which occur as a result of his prosecution of the work. The Subcontractor shall observe all applicable laws and building and construction codes. The Subcontractor shall take or cause to be taken such safety and health measures, additional to those herein required, as he may deem necessary or desirable.

The Subcontractor shall maintain an accurate record of all cases of death, occupational disease, and injury requiring medical attention or causing loss of time from work, arising out of and in the course of employment on work under the Subcontract. Upon the occurrence of any such event, the Subcontractor shall promptly furnish AW with reports concerning these matters.

The Subcontractor shall indemnify and save harmless AW from any claims and/or damages resulting from personal injury and/or death suffered or alleged to have been suffered by any person as a result of any work conducted under this Subcontract.

GC.21 SANITARY FACILITIES

The Subcontractor shall furnish, install, and maintain ample sanitary facilities for the workers. As the needs arise, a sufficient number of enclosed temporary toilets shall be conveniently placed as required by the sanitary codes of the state and county. Drinking water shall be provided from an approved source, so piped or transported as to keep it safe and fresh and served from single service containers or satisfactory types of sanitary drinking stands or fountains. All such facilities and services shall be furnished in strict accordance with existing and governing health regulations.

GC.22 USE OF PREMISES

The Subcontractor shall confine its equipment, storage of materials, and construction operations to the rights-of-way to accommodate the permanent construction furnished by AW, or as may be directed otherwise by AW, and shall not unreasonably encumber the site of other public rights-of-way with its materials and construction equipment. In case such rights-of-way furnished by AW are not sufficient to accommodate the Subcontractor's operations, Subcontractor shall arrange with the county, or with AW or other owners of private property for additional area or areas, and without involving AW in any manner whatsoever.

The Subcontractor shall comply with all reasonable instructions of AW and the ordinances and codes of the state, county, and military installation, including but not limited to those regarding signs, advertising, traffic, fires, explosives, danger signals, and barricades.

GC.23 REMOVAL OF DEBRIS, CLEANING, ETC.

The Subcontractor shall periodically or as directed during the progress of the work, remove and legally dispose of all surplus excavated material and debris, and keep the project site and public rights-of-way reasonably clear. Upon completion of the work, it shall remove all temporary construction facilities, debris, and unused materials provided for the work, thoroughly clean all drainage pipes, structures, ditches, and other features, and put the whole site of the work and public rights-of-way in a neat and "broom" clean condition. Trash burning on the site of the work will be subject to prior approval of AW and existing state, local, and military installation regulations.

GC.24 RETURN OF AW'S MATERIALS, EQUIPMENT OR PROPERTY

Any materials, equipment or other property belonging to AW that was removed by the Subcontractor shall be delivered to AW's designated warehouse unless its re-use or disposal is specified in the Plans and Specifications. If the Subcontractor fails to deliver the materials, equipment, or other property, the value, as determined by the Design Engineer, shall be deducted from amounts due the Subcontractor.

GC.25 OBSERVATION OF WORK

The Design Engineer, his authorized representative, and any federal, state, county, or local authority representative having jurisdiction over any part of the work or area through which the work is located, shall at all times have access to the work in progress.

The detailed manner and method of performing the work shall be under the direction and control of the Subcontractor, but all work performed shall at all times be subject to the observation of the Design Engineer or his authorized representative to ascertain its conformance with the Contract Documents. The Subcontractor shall furnish all reasonable aid and assistance required by the Design Engineer for the proper observation and examination of the work and all parts thereof.

Neither the Design Engineer nor AW is responsible for the Subcontractor's means, methods, techniques, sequences, or procedures of construction, or safety precautions and programs incident thereto.

Observers may be appointed by AW, the Design Engineer and/or Customer. Observers shall have

no authority to permit any deviation from the Plans and Specifications except on written order from the Design Engineer, and the Subcontractor will be liable for any deviation except on such written order. Observers shall have authority, subject to the final decision of the Design Engineer, to condemn and reject any defective work and to suspend the work when it is not being performed properly.

The observer shall in no case act as superintendent or foreman or perform other duties for the Subcontractor, nor interfere with the management of the work by the latter. Any advice, which the observer may give the Subcontractor, shall in no way be construed as binding to the Design Engineer in any way or releasing the Subcontractor from fulfilling all of the terms of the Subcontract.

Any defective work may be rejected by the Design Engineer at any time before final acceptance of the work, even though the same may have been previously overlooked and estimated for payment and payment therefore made by AW.

The Subcontractor shall notify the Design Engineer sufficiently in advance of backfilling or concealing any facilities to permit proper observation. If the facilities are concealed without approval or consent of the Design Engineer, the Subcontractor shall uncover for observation and recover such facilities all at his own expense, when so requested by the Design Engineer.

Should it be considered necessary or advisable by the Design Engineer at any time before final acceptance of the entire work to make an examination of work already completed, by uncovering the same, the Subcontractor shall on request promptly furnish all necessary facilities, labor, and material. If such work is found to be defective in any important or essential respect, due to fault of the Subcontractor or its Lower Tier Subcontractors, it shall defray all the expenses of such examination and of satisfactory reconstruction. If, however, such work is found to meet the requirements of the Subcontract, the actual cost of labor and material necessarily involved in the examination and replacement, plus fifteen (15) percent of such costs to cover superintendence, general expenses and profit, shall be allowed the Subcontractor and it shall, if completion of the work of the entire Subcontract has been delayed thereby, be granted a suitable extension of time on account of the additional work involved.

Observation of materials and appurtenances to be incorporated in the improvements embraced in this Subcontract may be made at the place of production, manufacture or shipment, if the quantity justifies it. Unless otherwise stated in the Technical Specifications, such observation and acceptance shall be final, except as regards (1) latent defects, (2) departures from specific requirements of the Subcontract, (3) damage or loss in transit, or (4) fraud or such gross mistakes as amount to fraud. Subject to the foregoing requirements, the observation of materials as a whole or in part will be made at the project site.

All condemned or rejected work shall be promptly taken out and replaced by satisfactory work. Should the Subcontractor fail or refuse to comply with the instructions in this respect, AW may, upon certification by the Design Engineer, withhold payment, proceed to terminate the Subcontract, or perform work as provided herein.

GC.26 REVIEW BY AW

AW, its authorized representatives and agents, shall at all times during work hours have access to and be permitted to observe and review all work, materials, equipment, and payrolls and personnel records pertaining to this Subcontract; provided, however, that all instructions and approval with respect to the work will be given to the Subcontractor only by AW through its authorized representatives or agents. Representatives of the cognizant federal, state, and local municipal

agencies also have the right of physical inspection of the work during work hours.

GC.27 PROHIBITED INTERESTS

No official agent or representative of AW who is authorized to negotiate, make, accept or approve, or to participate in negotiating, making, accepting, or approving any architectural, engineering, inspection, construction or material supply subcontract or any subcontract in connection with the construction of the project, shall become directly or indirectly interested personally in this Subcontract or in any part thereof. No officer, employee, architect, attorney, engineer, or inspector of or for AW who is authorized to exercise any executive, supervisory, or other similar functions in connection with the construction of the project, shall become directly or indirectly interested personally in this Subcontract or in any part thereof.

GC.28 FINAL INSPECTION

When the improvements embraced in this Subcontract are substantially completed, the Subcontractor shall notify AW in writing that the work will be ready for final inspection on a definite date, which shall be stated in the notice. The notice will be given at least ten (10) calendar days prior to the date stated for final inspection, and bear the signed concurrence of the representative of AW responsible for observation. If AW determines that the status of the improvements is as represented, it will make the arrangements necessary to have final inspection commenced on the date stated in the notice, or as soon thereafter as practicable. The inspection party will also include the representatives of Customer and any other involved government agencies when such improvements are later to be accepted by AW and/or other government agencies.

GC.29 GENERAL GUARANTY

Neither the final certificate of payment nor any provision in the Subcontract nor partial or entire use of the improvements embraced in this Subcontract by AW or the public shall constitute an acceptance of work which is not completed in accordance with the Subcontract or relieve the Subcontractor of liability in respect to any express warranties or responsibility for faulty materials or workmanship. The Subcontractor shall promptly remedy any defects in the work and pay for any damage to other work resulting therefrom which shall appear within a period of twelve (12) months from the agreed upon day of final acceptance of the work, unless a greater warranty period is specified in the applicable task order, purchase order or statement of work, in which case the greater warranty period will apply. AW will give notice of defective materials and work with reasonable promptness.

GC.30 KNOWLEDGE OF CONDITIONS

Subcontractor acknowledges, in accepting the terms and conditions of the Subcontract, that it has examined all the available records, has made a field examination of the site and right-of-way, and is informed about the character, quality, and quantity of surface and subsurface materials (as much as possible) and other conditions to be encountered; is informed about the quantities in various sections of the work, the character of equipment and facilities needed for the prosecution of the work, the location and suitability of all construction materials, the local labor conditions, and all other matters in connection with the work and services to be performed under this Subcontract.

GC.31 PLANS AND SPECIFICATIONS

Three (3) sets of Plans and Specifications shall be furnished to the Subcontractor, at no charge, for construction purposes. Additional copies may be obtained at the approximate cost of reproduction upon request. Subcontractor may also make its own copies of the documents for use only on this project. The Subcontractor shall also keep one (1) copy of all drawings and Subcontract Documents in good condition, marked for any "record drawings" or "changed" conditions, readily accessible at the site of the work, available to AW and its authorized representatives.

GC.32 RECORD DRAWINGS

The Drawings shall be stored and maintained in good condition at all times by the Subcontractor and shall be made available to AW at the work site immediately at AW's request. All writing, notes, comments, dimensions, and related items shall be legible. The Drawings shall be stored flat and shall not be rolled. The Drawings shall be submitted to AW before the project may be deemed accepted. The Subcontractor shall accurately identify and document the locations of all underground and/or concealed work that it has performed and/or has been affected by its work. This shall include all equipment, conduits, pipelines, valves, fittings and other appurtenances and underground structures that are part of the Subcontractor's work, including their proximity to previously existing underground structures and utilities to the extent known. The Subcontractor will certify accuracy of the Record Drawings by endorsement.

The Subcontractor's work shall be documented on the Drawings throughout the project, in an on-going manner. Distances, offsets, depths, and other information required, shall be accurately measured from permanent fixed objects so that AW is able to expose any item of the work in the future with a minimum of effort. All such measurements shall be made before the items of work are covered or backfilled. The Subcontractor shall be required to expose and recover/backfill the work at its own expense if, in AW's opinion, the measurements need to be verified.

GC.33 TRENCH AND EXCAVATION SAFETY SYSTEMS

This section covers trench and excavation safety systems required for constructing improvements that necessitate open excavations on the project. All work under this item shall be in accordance with the current edition of the "Occupational Safety and Health Administration Standard for Excavation and Trenches Safety Systems", 29 CFR 1926, Subpart P.

The Subcontractor, prior to beginning any excavation, shall notify the State Department of Labor (Safety Division) that work is commencing on a project where the size of the project requires such notification.

The Subcontractor shall notify all utility companies and owners in accordance with OSHA requirements cited in 29 CFR 1926.651 (b) (2) for the purpose of locating utilities and underground installations.

Where the trench or excavation endangers the stability of a building, wall, street, highway, utilities, or other installation, the Subcontractor shall provide support systems such as shoring, bracing, or underpinning to ensure the stability of such structure or utility. The Subcontractor may elect to remove and replace or relocate such structures or utilities only with the written approval of AW and any property owner necessary.

GC.34 UNDERGROUND FACILITIES DAMAGE PREVENTION ACT

All work shall be in accordance with any State or local underground facilities damage prevention statues that may apply to this project.

GC.35 PERMITS AND RIGHTS-OF-WAY

AW will secure easements across public or private property permanently required for the work at no cost to the Subcontractor. The Subcontractor shall lease, buy, or otherwise make satisfactory provision, without obligating AW in any manner, for any land required outside the land provided by AW. AW will secure state highway and railroad crossing permits. All other permits and licenses necessary for the prosecution of the work shall be secured and paid for by the Subcontractor.

GC.36 REFERENCED SPECIFICATIONS

Where reference is made in these Contract Documents to specifications compiled by other agencies, organizations or departments, such reference is made for expediency and standardization. As such, these specifications (latest edition thereof) referred to, are hereby made a part of these Contract Documents. More specifically, if any items or materials required for completion of the work required for this project are not specified in these Contract Documents, such items or material and requirements for installation shall conform to the standards or preferences of AW.

GC.37 PUBLIC UTILITIES AND OTHER PROPERTY TO BE CHANGED

In case it is necessary to change or move the property of any owner or of a public utility, such property shall not be moved or interfered with until ordered to do so by AW. The right is reserved to owner of public utilities to enter upon the limits of the project for the purpose of making such changes or repairs of their property that may be made necessary by performance of this Subcontract.

GC.38 USED MATERIALS

No material which has been used by the Subcontractor for any temporary purpose may be incorporated in the permanent work without written consent of AW.

GC.39 EXISTING STRUCTURES

The Plans show the locations of all known surface and subsurface structures. However, AW assumes no responsibility for failure to show any or all of these structures on the Plans, or to show them in their exact location. It is mutually agreed that such failure shall not be considered sufficient basis for claims for additional compensation for extra work or for increasing the payment quantities in any manner whatsoever, unless the obstruction encountered is such as to necessitate changes in the lines or grades, or requires the building of special work, provisions for which are not made in the Plans. If the provisions are not made in the Plans, the guidelines set

forth in section 7 of the Subcontract (Changes to Subcontractor Services) shall apply. The Subcontractor shall be responsible for protection of all existing structures and any damage caused by its operations shall be repaired immediately without cost to AW.

GC.40 LEGAL HOLIDAYS

January 1st, Memorial Day, July 4th, Labor Day, Thanksgiving Day, day after Thanksgiving and December 25th will be legal holidays; no other days will constitute legal holidays.

Should any holiday fall on a Sunday, the holiday shall be observed on the following Monday. The Subcontractor shall observe the legal holidays and Sundays, and no work shall be performed on these days except in an emergency or if otherwise approved in writing by AW. Consequently, no construction observation will be furnished by AW on legal holidays or Sundays, except in an emergency or as otherwise approved by AW. However, these days shall not be excluded from the Subcontract time.

GC.41 TEST BORINGS/SUBSURFACE INFORMATION

It is understood and agreed that any subsurface information, whether included in the Plans, Specifications, or otherwise made available to the Subcontractor, was obtained and intended for AW's design and estimating purposes only. It is further understood and agreed that the Subcontractor is solely responsible for all assumptions, deductions, or conclusions which it may make or obtain from examination of the subsurface information furnished by AW.

The Subcontractor may not rely upon or make any claim against AW, or AW's other subcontractors with respect to:

(1) the completeness of such reports and drawings for Subcontractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by the Subcontractor and safety precautions and programs incident thereto;

(2) other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings;

(3) any Subcontractor interpretation of or conclusion drawn from any data, interpretations, opinions, or information.

GC.42 SPARE PARTS

After approval of any applicable Drawings, the Subcontractor shall furnish spare parts data for each different item of equipment, valves, and instrumentation for which normal operation and dependable service requires replacement parts. The data shall include a complete list of parts and supplies, with source of supply, a list of parts and supplies that are either normally furnished at no extra cost with the purchase of the equipment or specified hereinafter to be furnished as part of the Subcontract, and a list of additional items recommended by the manufacturer to assure efficient operation. The foregoing shall not relieve the Subcontractor of any responsibilities under any applicable guaranty, warranty or representation.

GC.43 REFERENCES TO “SUBCONTRACT DOCUMENTS”

Should there be any references to “Subcontract Documents” in the technical specifications they should be interpreted to be “Contract Documents”. Likewise, references to “Contractor” should be interpreted to be “Subcontractor”.

GC.44 SUBCONTRACTOR EMPLOYEES AND SECURITY

The Subcontractor shall not employ any person for work on this Subcontract if such person is identified to the Subcontractor as a potential threat to the health, safety, security, general well being, or operational mission of the Government’s military installation or population.

The Subcontractor shall ensure each employee has a picture identification card that shall include at a minimum the employee’s name, photograph, and Subcontractor’s name. Each Subcontractor employee shall follow established Government military installation procedures for displaying his/her identification card while within the boundaries of the Installation.

Subcontractor shall identify to AW all employees, including Lower Tier Subcontractor employees, who will require access to the project site.

The Subcontractor shall ensure that employees meet all applicable federal, state and local certification, licensing, and health and safety requirements to perform all assigned tasks and functions as defined in the Subcontract.

The Subcontractor’s authorized representative will be required to affirm, by signing a copy of the Subcontractor Safety Declaration (on following page), its compliance with the safety guidelines stated therein.

All Subcontractor and Lower Tier Subcontractor vehicles shall be readily identifiable. Identification shall include displaying Subcontractor name in a clear and unobstructed location on the vehicle.

The Subcontractor and all Lower Tier Subcontractors are expected to be required to obtain a vehicle work pass for each of the vehicles to be used on the project site. In order to receive a work pass, the Subcontractor will be required to have each vehicle’s registration and proof of insurance, as well as the applicable driver’s license. Vehicle passes will be valid through the end of the project. Subcontractor will be required to return all passes to the appropriate site office after the completion of the work. Subcontractor is required to furnish to AW a copy of each vehicle pass issued.

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GC.45 SUBCONTRACTOR SAFETY DECLARATION

Subcontractor acknowledges and agrees that it will adhere to all of the following safety requirements:

- Subcontractor will not perform any construction activities unless it has received an orientation briefing (the "Safety Orientation") from AW, including but not limited to site-specific safety rules, accident/injury reporting, emergency procedures, and potential hazards in the work area.

- Subcontractor shall instruct all of its agents and employees in the topics covered at the Safety Orientation before any of such persons are allowed to enter the work area.

- Subcontractor shall prepare a written copy of all site-specific safety rules, as well as any and all relevant task-specific safety rules, and shall ensure that its employees and agents comply with those rules as well as all applicable federal, state, and local safety and health laws, rules, and regulations.

- Subcontractor shall provide all requisite personal protective equipment for its employees and agents entering the work area. Subcontractor shall ensure that such personal protective equipment is adequate to protect against all hazards that are present in the work area.

- Subcontractor's employees: i) have been medically examined within the past 12 months as required by all applicable federal, state, and local safety and health laws, rules, and regulations; and ii) have been medically qualified to perform their work assignments (including the wearing of personal protective equipment) in accordance with all state and federal OSHA regulations.

- Subcontractor certifies that it has a written safety and health program, and that Subcontractor's employees have received training in appropriate safety and health topics (including, but not limited to, respiratory protection, hearing conservation, and equipment operation) in accordance with state and federal OSHA regulations.

- Subcontractor performs regularly scheduled maintenance on all owned or leased vehicles and equipment in accordance with state and federal OSHA regulations (including but not limited to 20 CFR 1910 and 1926; and Title 8 of CA Admin. Code). Subcontractor shall repair all known defects to such owned or leased vehicles and equipment prior to operation and, as defects become apparent during operation, shall take the vehicles and/or equipment out of service until all requisite repairs are made.

- Subcontractor has a written substance abuse program in place, and shall submit evidence of same if requested by AW;

- Subcontractor shall keep work area injury statistics, and shall immediately report all incidents or injuries resulting from accidents to AW's Project Manager. Subcontractor shall investigate and provide a written report to AW that includes a description of the incident, a primary cause for the incident, corrective actions addressing the primary cause, and assignment of responsibility for the completion of the corrective action within 48 hours of occurrence.

Subcontractor further acknowledges and agrees that AW can take any and all appropriate action against Subcontractor due to Subcontractor's non-compliance with any health and safety practices.