



United States  
Department of  
Agriculture

Rural  
Utilities  
Service

RUS Form 515

September 2001

# Telecommunications System Construction Contract (Labor and Materials)

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**Telecommunications System  
Construction Contract**  
(Labor and Materials)

RUS Contract Form 515

SEPTEMBER 17, 2001

U.S. Department of Agriculture  
Rural Utilities Service

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TELECOMMUNICATIONS SYSTEM CONSTRUCTION CONTRACT  
(Labor and Materials)

The Complete Construction Contract Consists of the Following:

- I. RUS Contract Form 515, Telecommunications System Construction Contract, which includes:
  - A. Notice to Bidders (Page 1)
  - B. Instructions to Bidders (Page 5)
  - C. Contractor's Proposal (Page 23)
  - D. Construction Agreement (Page 115)
  - E. Engineering, Construction, and Inspection Details (Page 128)
  
- II. One or more of the specification packets made a part of the Contract by reference as indicated on page 13.
  - A. RUS Form 515a, Specifications and Drawings for Construction of Buried Plant (RUS Bulletin 1753F-150).
  - B. RUS Form 515b, Specifications and Drawings for Underground Plant (RUS Bulletin 1753F-151).
  - C. RUS Form 515c, Specifications and Drawings for Construction of Aerial Plant (RUS Bulletin 1753F-152).
  - D. RUS Form 515d, Specifications and Drawings for Service Entrance Installations at Customer Access Locations (RUS Bulletin 1753F-153).
  
- III. Plans, including Maps, Construction Sheets and Special Drawings prepared by the Owner's Engineer (Current version of related forms to be utilized).

Check List of Pages to be Completed

Engineer - Prior to Release for Bids Completes:

Pages 1-3	Notice to Bidders
Pages 5-12	Paragraphs 1, 2, 5, 8, 18c, 18d, and 18g
Page 23	Contractor's Proposal
Pages 25-89	Listing of Units, Quantities and Other information as Applicable
Page 91	"Value and Disposition of Units to be Removed" Table (Columns 1-7)
Pages 93-95	List of Special Assembly Unit Drawings and Special Guide Drawings, and List of Changes
Page 97	List of Cable Plant Layout Maps
Page 99	List of Construction Sheets
Page 101	List of Special Arrangement Units
Page 110	Paragraph 14

Page 111 Paragraph 17, 18  
Pages 116-117 Article II, Section 1(b)  
Page 135-137 Schedule of Acceptance Tests and Measurements  
Page 138 Article VI, Section 2  
"W" units in RUS Forms 515a, 515b, 515c, and 515d, as Applicable.

Owner - Prior to Release for Bids Completes:

Pages 2, and 138 Liquidated Damage Amount  
Pages 3, and 12 Signature and Date  
Page 19 Interim Financing, as Applicable  
Page 21-22 Supplement A to Construction Contract RUS  
Form 515, as Applicable

Bidder - Prior to Submitting Bid Completes:

Page 13 Bid Bond or Certified Check  
Page 15 Certification Regarding Debarment,  
Suspension, Ineligibility and Voluntary  
Exclusion - Lower Tier Covered Transactions  
Page 17 Certification for Contracts, Grants, Loans,  
and Cooperative Agreements (Lobbying  
Certification)  
Page 19 Interim Financing, as Applicable  
Page 21-22 Supplement A to Construction Contract RUS  
Form 515, as Applicable  
Pages 25-89 Unit Prices and Extensions, as Applicable  
Pages 103-105 Proposal Summary  
Page 109 Contractor's License, Paragraph 10  
Page 112 Paragraph 21  
Page 113 Signature, Address, Date and Seal

Engineer - On Acceptance Completes:

Page 115 Top of Page and Article I, Section 1 (except  
for date)  
Page 121 Article III, Section 1(b)

Owner - On Acceptance:

Page 115 Dates Construction Agreement  
Page 145 Signs Construction Agreement

Bidder - Upon Notification of Acceptance:

Page 145 Signs Construction Agreement  
Pages 151-157 Inserts executed Contractor's Bond

TELECOMMUNICATIONS SYSTEM CONSTRUCTION CONTRACT (RUS FORM 515)

INDEX

	<u>Page</u>		<u>Page</u>
	<u>A</u>	Bond . . . . .	7-9, 107, 109, 121, 138, 142, 151-157
ACCEPTANCE TESTS . . . . .	131, 135-137	Certificates . . . . .	122, 147
ACCIDENTS . . . . .	125, 126	Default . . . . .	122, 138
ANTI-KICKBACK ACTS . . . . .	7, 144	Employees . . . . .	118
	<u>B</u>	License . . . . .	109
BIDDERS:		Negligence . . . . .	123-125
Bid Bond . . . . .	8, 9, 13	Proposal . . . . .	23
Notice . . . . .	1-3	Qualifications . . . . .	3
Instructions . . . . .	5-12	Superintendent . . . . .	109, 118
Qualifications . . . . .	3		<u>D</u>
BOND:		DAMAGES . . . . .	2, 138
Bid . . . . .	8, 9, 13	DEBARMENT & SUSPENSION . . . . .	15, 113
Contractors . . . . .	7, 8, 9, 107, 109, 121, 138, 142, 151-157	DEFINITIONS . . . . .	139-141
		DRAWINGS, LIST OF SPECIAL . . . . .	93
	<u>C</u>		<u>E</u>
CERTIFICATE:		EASEMENT . . . . .	10, 11
Buy American . . . . .	141, 142, 167	ENGINEERING DETAILS . . . . .	128
Completion . . . . .	120, 121, 122, 140	ENVIRONMENT . . . . .	117-123
Contractor's . . . . .	122, 147	EQUAL OPPORTUNITY . . . . .	112, 142-144
CERTIFIED CHECK . . . . .	8, 9	EXPLOSIVES . . . . .	127
CLEARING, RIGHT-OF-WAY . . . . .	125		<u>F</u>
CONTRACT:		FRANCHISES . . . . .	144
Amendment . . . . .	117, 165		<u>G</u>
Amount . . . . .	121	GUARANTEES . . . . .	127
Approval, by Administrator . . . . .	145		<u>I</u>
Date . . . . .	115	INSPECTION . . . . .	107, 108, 118, 119, 128-135
Description of . . . . .	116	INSURANCE . . . . .	126, 127
Nonassignment . . . . .	142	INTEREST . . . . .	121, 122
Price . . . . .	121	INTERIM FINANCING . . . . .	19
Subcontract . . . . .	123, 142, 159	INVENTORY . . . . .	108, 111, 120, 121, 129, 140
Termination . . . . .	138	IRREGULARITIES . . . . .	9
CONSTRUCTION:			<u>J</u>
Agreement . . . . .	115	JOINT USE . . . . .	6, 143
Changes . . . . .	108, 111, 117, 121, 163		
Cleanup . . . . .	120, 140		
Commencement . . . . .	110		
Completion . . . . .	2, 8, 10, 116-127, 140		
Completion Time . . . . .	110		
Corridor . . . . .	5-6, 10-11, 124, 140-141		
Delay . . . . .	12, 110, 116, 138		
Extension of Time . . . . .	12, 117		
Foreman . . . . .	109, 118		
Manner . . . . .	116, 117		
Sequence . . . . .	116, 117		
Superintendent . . . . .	109, 118		
Supervision . . . . .	118, 131		

CONTRACTORS:

L

LICENSE, CONTRACTOR'S . . . . . 109  
 LIENS, RELEASE . . . . . 120, 122, 149  
 LIQUIDATED DAMAGES . . . . . 2, 138  
 LOBBYING CERTIFICATE . . . . . 17

M

MAPS . . . . . 95, 97, 128  
 MATERIALS:  
   Acceptable List . . . . . 107  
   Condemned . . . . . 119  
   Defective . . . . . 119, 120, 125  
   Eligible Country . . . . . 140  
   Furnished by Owner . . . 10, 21, 109  
   Inspection . . . . . 107, 108, 118,  
     . . . . . 128-135  
   Prices . . . . . 10, 103, 105  
   Purchase . . . . . 127, 141, 142

N

NONDISCRIMINATION . . . . . 142-144

P

PATENTS . . . . . 127  
 PAYMENTS:  
   Contractor . . . . . 118, 119, 120-122  
   Final . . . . . 118-123  
   Materialmen . . . . . 123  
   Partial . . . . . 120-122  
   Subcontractor . . . . . 123, 141  
 PERMITS . . . . . 10, 11, 127, 144  
 PRETESTING INSPECTION . . . . 131-137  
 PRICE:  
   Contract . . . . . 121  
   Labor and Material . . . 10, 23-89,  
     . . . . . 107, 108, 110, 111  
   Unit . . . . . 10, 23-89,  
     . . . . . 107, 108, 110, 111  
 PROJECT:  
   Consists of . . . . . 1  
   Definition . . . . . 140  
   Delay . . . . . 2, 12, 117  
   Delivery of Possession and Control  
     . . . . . 125, 126, 138  
   Location . . . . . 1  
 PROPOSAL:  
   Acceptance . . . . . 115  
   Contractor's . . . . . 23  
   Summary . . . . . 103, 105

R

REMEDIES . . . . . 119, 138, 139, 151-157  
 RIGHT-OF-WAY . . . . . 10, 11, 111,  
   . . . . . 125, 144

S

SUBCONTRACT . . . . . 123, 142, 159

SUPPLEMENT A . . . . . 21  
 SURETIES . . . . . 109, 138, 151-157

T

TAXES . . . . . 8, 110  
 TESTS:  
   Acceptance, Outside Plant . 128-137  
   Precutover . . . . . 126  
 TRIMMING . . . . . 123-125

W

WORKMANSHIP . . . . . 118-120, 125-127,  
   . . . . . 132-135  
 WORKMEN'S COMPENSATION . . . 126, 127



NOTICE TO BIDDERS

TELECOMMUNICATIONS OUTSIDE PLANT PROJECT

Sealed proposals for the construction, including the supply of necessary Labor, materials, and equipment, of a rural telecommunications project as described below:

Project Number: \_\_\_\_\_

Company Name: \_\_\_\_\_

Exchange(s): \_\_\_\_\_

\_\_\_\_\_

County(ies): \_\_\_\_\_

State(s): \_\_\_\_\_;

shall be received at the following location and time:

Address: \_\_\_\_\_

Bid Date: \_\_\_\_\_

Time: \_\_\_\_\_, \_\_M, \_\_T, at which time the proposals shall be publicly opened and read.

The project shall consist of the following miles

[kilometers (km)] of plant:

Aerial: \_\_\_\_\_ miles (\_\_\_\_\_ km);

Buried: \_\_\_\_\_ miles (\_\_\_\_\_ km);

Underground: \_\_\_\_\_ miles (\_\_\_\_\_ km);

Conduit: \_\_\_\_\_ miles (\_\_\_\_\_ km);

Service Entrances \_\_\_\_\_ miles (\_\_\_\_\_ km);

Number of Service Entrances:

Aerial \_\_\_\_\_; Buried \_\_\_\_\_.

The number of cable placement operations used at any one time shall not exceed \_\_\_\_\_. The time for Completion of Construction of the Project shall be \_\_\_\_\_ calendar days (excluding Saturdays, Sundays, and legal holidays) from the contract commencement date. Liquidated damages in the amount of \_\_\_\_\_ per day shall apply for each and every day that construction is delayed after giving effect to extensions of time as provided for in the contract.

The Plans, Specifications, and Construction Sheets together with all necessary forms and other documents for Bidders may be obtained from the Owner, or from the Engineer \_\_\_\_\_, at the latter's office at \_\_\_\_\_, upon payment of \$\_\_\_\_\_ (per set). The Plans, Specifications, and Construction Sheets may be examined at the offices of the Owner or Engineer. Each set of Plans, Specifications and Construction Sheets will have a serial number, assigned by the Engineer, and the number of each set with the name of the purchasers will be recorded by the Engineer. Bids will be accepted only from original purchasers or from some other qualified Bidder to whom such a set has been transferred by the

original purchaser with the approval of the Owner, at least forty-eight (48) hours prior to the Pre-Bid Conference set for at the following location: \_\_\_\_\_

---

No proposals will be considered from bidders that do not attend the Pre-Bid Conference unless the bidder has been notified by the Engineer prior to the Pre-Bid Conference that such bidder's attendance is not required. Notes covering the Pre-Bid Conference will be prepared by the Engineer and distributed to all bidders attending the Pre-Bid Conference.

Bidders shall file with the Engineer at least \_\_\_\_\_ days in advance of the scheduled Pre-Bid Conference, the Bidder's Qualifications. The Owner or Engineer will not release a set of Plans, Specifications, and Construction Sheets bearing a serial number to a bidder until after the Bidder's Qualifications have been approved by the Engineer on behalf of the Owner. Questions relating to Bidder's Qualifications shall be resolved prior to the Pre-Bid Conference.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Borrower Name)

By \_\_\_\_\_  
(Signature)

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INSTRUCTIONS TO BIDDERS

1. Sealed proposals for the construction, including the supply of necessary labor, materials, and equipment, of a rural telecommunications project to be financed pursuant to a Loan Contract between \_\_\_\_\_ (hereinafter called the "Owner") and the United States of America by the Administrator of the Rural Utilities Service, dated \_\_\_\_\_, \_\_\_\_\_, (a copy of the Loan Contract may be examined at the office of the Owner) and to be known as Project \_\_\_\_\_

\_\_\_\_\_ which is to be part of the System known as \_\_\_\_\_ will be received by the Owner on or before \_\_\_\_\_ o'clock \_\_M., \_\_\_\_T, \_\_\_\_\_, 20\_\_\_\_, at the following location:

\_\_\_\_\_ ;  
at which time and place the proposals will be publicly opened and read. Any proposals received subsequent to the time specified will be promptly returned to the Bidder unopened.

2. The Project, located in the following County(ies): \_\_\_\_\_ ;  
in the State(s) of \_\_\_\_\_, all as more fully described in the Plans, Specifications, Construction Sheets, Maps, Special Drawings, and Description of Assembly Units therefore hereinafter referred to will consist of the following miles (km) of telecommunication lines and associated facilities:

a. Buried Plant - Total Route Miles \_\_\_\_\_ ( \_\_\_\_\_ km)

Construction Corridor

New Miles \_\_\_\_\_ ( \_\_\_\_\_ km)

Existing Miles \_\_\_\_\_ ( \_\_\_\_\_ km)

b. Underground Plant - Total Route Miles \_\_\_\_\_ ( \_\_\_\_\_ km)

Conduit System:

Construction Corridor:

New Miles \_\_\_\_\_ ( \_\_\_\_\_ km)

Existing Miles \_\_\_\_\_ ( \_\_\_\_\_ km)

Innerducts placed in:

Conduit Miles \_\_\_\_\_ ( \_\_\_\_\_ km)

Underground Cable in Conduit Systems:

New Miles \_\_\_\_\_ ( \_\_\_\_\_ km)

Existing Miles \_\_\_\_\_ ( \_\_\_\_\_ km)

Manholes: \_\_\_\_\_ (number)

c. New Aerial Plant - Total Route Miles \_\_\_\_\_ ( \_\_\_\_\_ km)

New (Including Rebuilt Miles on Which Substantially All  
Poles Are To Be Replaced)

- Route Miles \_\_\_\_\_ ( \_\_\_\_\_ km)

Pole Line w/ Self Supporting Fiber Optic Cable

- Route Miles \_\_\_\_\_ ( \_\_\_\_\_ km)

Pole Line with Cable

- Route Miles \_\_\_\_\_ ( \_\_\_\_\_ km)

Joint Use - Electric - Cable

- Route Miles \_\_\_\_\_ ( \_\_\_\_\_ km)

Joint Use - Electric - Self Supporting Fiber Optic Cable

- Route Miles \_\_\_\_\_ ( \_\_\_\_\_ km)

Joint Use - Other than Electric Cable

- Route Miles \_\_\_\_\_ ( \_\_\_\_\_ km)

d. Modification of Existing Aerial Plant -

- Route Miles \_\_\_\_\_ (\_\_\_\_\_ km)

(Includes all lines on which substantial number of poles are retained and which are not included in the above Classification)

e. Service Entrances - Route Miles \_\_\_\_\_ (\_\_\_\_\_ km)

Buried Service Entrances - Number \_\_\_\_\_

- Route Miles \_\_\_\_\_ (\_\_\_\_\_ km)

Aerial Service Entrances - Number \_\_\_\_\_

- Route Miles \_\_\_\_\_ (\_\_\_\_\_ km)

3. Proposals and all supporting instruments must be submitted in their entirety on the forms furnished by the Owner and must be delivered in a sealed envelope addressed to the Owner. The name and address of the Bidder, its license number, if a license is required by the State, and the date and hour of the opening of Bids must appear on the envelope in which the Proposal is submitted. Proposals must be filled in ink or typewritten. No alternations or interlineations will be permitted, unless made before submission, and initialed and dated.

4. Prior to the submission of the Proposal, the Bidder shall make a careful examination of the site of the Project and of the Plans, Specifications, Construction Sheets, Maps, Special Drawings, Description of Assembly Units, and forms of Construction Agreement and Contractor's Bond attached hereto, and shall become informed as to the location and nature of the proposed construction, the transportation facilities, the kind and character of the soil and terrain to be encountered, the kind of facilities required before and during the construction of the Project, general local conditions and all other matters that may affect the cost and the time of completion of the Project. Bidders will be required to comply with all applicable statutes, regulations, etc., including those pertaining to the licensing of contractors and the Anti-Kickback Acts, as amended (40 USC 276c; 41 USC 51 et seq.) and regulations issued pursuant thereto.

5. To facilitate the Bidder's meeting the requirements of Paragraph 4, a \_\_\_\_\_ day Pre-Bid Conference is scheduled at the following location \_\_\_\_\_, on \_\_\_\_\_ commencing at \_\_\_\_\_, \_\_\_\_M, \_\_\_\_T. At the Pre-Bid  
(Date) (Time)

Conference, qualified representatives of the Engineer and/or Owner, and Contractor will be prepared to discuss the project plans in detail including previous construction experience. They will also provide assistance to personnel of the Bidder for visiting existing representative cable routes and locations, if any, that may require special construction planning. All Bidders are required to attend the Pre-Bid Conference or furnish information to the satisfaction of the Engineer prior to the Pre-Bid Conference, that the Bidder, through prior visitation or previous construction work in the Area, has adequate familiarity with the site and plans for the project.

No proposal shall be accepted or considered from Bidders that do not attend the Pre-Bid Conference or have not been notified by the Engineer prior to the Pre-Bid Conference, that their attendance is not required.

6. Each Bidder shall include and shall be deemed to have included, in the price quoted in the Contractor's Proposal for each Assembly Unit, the amounts which it is estimated will be payable by the successful Bidder or by the Owner on account of taxes imposed by any taxing authority upon the sale, purchase, or use of materials, supplies and equipment, or services or labor or installation thereof, to be incorporated in the Project as part of such Assembly Unit. All taxes of the foregoing descriptions shall be payable by the Bidder which shall be awarded the Contract for the construction of the Project.

7. The Owner reserves the right to confine its consideration of the several bids to one type of design regardless of alternate types of design which may be specified in the Plans and Specifications and offered in the Proposals.

8. Where buried plant is included in the construction of the Project, the number of cable placement operations that may be used at any one time shall not exceed \_\_\_\_\_.

9. The time for Completion of Construction of the Project shall be as specified by the Owner in the Proposal.

10. Each Proposal must be accompanied by a Bid Bond in the form attached or a certified check on a bank that is a member of the Federal Deposit Insurance Corporation, payable to the order of the Owner, in an amount equal to ten percent (10%) of the maximum Bid price. Each Bidder agrees, provided its Proposal is one of the three low Proposals, that, by filing its Proposal together with such Bid Bond or check, in consideration of the Owner's receiving and considering such Proposal, said Proposal shall be firm and binding upon each such Bidder and such Bid Bond



or check shall be held by the Owner until a Proposal is accepted and a satisfactory Contractor's Bond is furnished by the successful Bidder and such acceptance has been approved by the Administrator, or for a period not to exceed ninety (90) days from the date hereinbefore set for the opening of Proposals whichever period shall be the shorter. If such Proposal is not one of the three low Proposals, the Bid Bond or check will be returned in each instance within a period of ten (10) days to the Bidder furnishing same.

11. The successful Bidder will be required to enter into a Contract with the Owner and to furnish a Contractor's Bond, in one of the forms attached hereto, with sureties listed by the United States Treasury Department as Acceptable Sureties in a penal sum not less than the Contract price.

12. Should the successful Bidder fail or refuse to execute a Contract and to furnish a Contractor's Bond within fifteen (15) days after written notification of the award of the Contract by the Owner, the Bidder will be considered to have abandoned the Proposal. In such event, the Owner shall be entitled (a) to enforce the Bid Bond in accordance with its terms, or (b) if a certified check has been delivered with the Proposal, to retain from the proceeds of the certified check the difference between the amount of the Proposal and such larger amount (up to 10% of the Proposal) for which the Owner may in good faith contract with another party to construct the Project. The term "successful Bidder" shall be deemed to include any Bidder whose Proposal is accepted after another Bidder has previously refused or has been unable to execute the Contract or to furnish a satisfactory Contractor's Bond.

13. The Contract, when executed, shall be deemed to include the entire agreement between the parties thereto, and the Contractor shall not claim any modification thereof resulting from any representation or promise made at any time by any officer, agent, or employee of the Owner or by any other person.

14. The Owner reserves the right to waive minor irregularities or minor errors in any Proposal, if it appears to the Owner that such irregularities or errors were made through inadvertence. Any such irregularities or errors so waived must be corrected on the Proposal in which they occur prior to the execution of any Contract which may be awarded thereon.

15. The Owner reserves the right to reject any or all Proposals. The attention of Bidders is specially called to the desirability of a proper balance between prices for labor and materials and between the total prices for the respective

Assembly Units. Lack of such balance may be considered as a reason for rejecting a Proposal.

16. Where the unit prices in the Contractor's Proposal are separated into three columns designated as "Labor", "Materials", and "Labor and Materials", and where a discrepancy appears between the sum shown in the "Labor and Materials" column and the correct addition of the sums appearing in the "Labor" column and the "Materials" column, the correct addition of the sums appearing in the "Labor" column and the "Materials" column shall control.

17. The terms "Administrator", "Engineer", "Supervisor" "Contractor's Proposal", "Project", "Section", "Completion of Construction", "Completion of Project", "Cleanup", "Work Sector", "Construction Corridor", "Reduced Construction Corridor", and "Construction Sheets" as used throughout this Contract shall be defined in the Construction Agreement, Article VII, Section 1.

18. The Owner represents:

- (a) If by other provisions of the contract documents the Owner shall have undertaken to furnish any materials for the construction of the Project, such materials are on hand at locations which may be determined by inquiry by Bidders from the Engineer or if such materials are not on hand they will be made available by the Owner to the successful Bidder before the time such materials are required for construction.
- (b) That all items to be accomplished by the Owner to facilitate construction have been accomplished or will be completed prior to construction activity.
- (c) Staking has been completed for the entire project, except for Service Entrances, as of \_\_\_\_\_.  
(Date)
- (d) Easements and rights-of-way for the Construction Corridor used for the placement of buried cable have been obtained from property owners or public authorities. Public rights-of-way, totaling approximately \_\_\_\_\_ miles ( \_\_\_\_\_ km) and private rights-of-way, totaling approximately \_\_\_\_\_ miles ( \_\_\_\_\_ km) are as shown on the Construction Sheets. All rights-of-way obtained that do not provide sufficient width to meet the specifications for Construction Corridor as defined in the

specifications are designated as "Reduced Construction Corridor". The actual widths available for cable placement in the reduced areas are shown on the respective Construction Sheets. Rights-of-way not obtained are designated as "Unobtained Construction Corridor" and are shown on the Construction Sheets.

Where the placement of the cable is restricted within the Construction Corridor, these locations are designated "Restricted Construction Corridor". The nature of the restriction of the replacement of the cable is as shown on the Construction Sheets. When the cause of a restriction is the presence of existing telecommunications plant or foreign utilities, the general location of these facilities is as shown on the Construction Sheets. Since these facilities can be located definitely only by exposing them to view, all Construction Sheet representations as to their locations are approximate.

- (e) Easements and rights-of-way for placement of all Service Entrances have not been obtained. Such rights-of-way will be obtained as required to avoid delay in placement of such Service Entrances.
- (f) The Owner will have available all funds necessary for immediate payment for the construction of the Project.
- (g) Where buried plant is involved, the Owner has obtained permission from State and local highway and road authorities to bury cable and set housings on the highway and road rights-of-way in the Project Area. Notwithstanding such permission granted to the Owner, each Bidder is responsible for ascertaining that the equipment, methods of construction and repair proposed to be used on the Project will meet all requirements of public authorities having jurisdiction over highway and road rights-of-way. The successful Bidder will be required to furnish proof satisfactory to the Owner of compliance with this requirement. If required by the highway or road authorities, the successful Bidder will furnish to such authorities a bond or meet other guaranty requirements to assure the prompt repair of all damages to highways and roads and their associated rights-of-way caused by the Bidder during construction of the Project. This requirement is in addition to, and independent of, the performance bond required under this Contract. The approval of a Bidder's Qualifications by the Owner or the acceptance of a Bid from any Bidder is not to be construed as approval of the Bidder's equipment or



U.S. Department of Agriculture  
Rural Utilities Service

**BID BOND**

1. *KNOW ALL MEN that we,* \_\_\_\_\_  
 \_\_\_\_\_ as Principal, and  
 \_\_\_\_\_,  
 as Surety, are held and firmly bound unto \_\_\_\_\_  
 \_\_\_\_\_ (hereafter called the "Owner")  
 in the penal sum of ten percent (10%) of the amount of the bid referred to in paragraph 2 below, but not to  
 exceed \_\_\_\_\_ dollars (\$ \_\_\_\_\_), as  
 hereinafter set forth and for the payment of which sum well and truly to be made we bind ourselves, our  
 executors, administrators, successors and assigns, jointly and severally, by these presents;
2. *WHEREAS, the Principal has submitted a bid to the Owner for the construction of the Rural Utilities Service  
 project known as* \_\_\_\_\_.
3. *NOW, THEREFORE, the condition of this obligation is such that if the Owner shall accept the bid of the  
 Principal, and*
  - a. *the Principal shall execute such contract documents, if any, as may be required by the terms of the bid and  
 give such Contractor's Bond or Bonds for the performance of the contract and for the prompt  
 payment of labor and material furnished for the project as may be specified in the bid, or*
  - b. *in the event of the failure of the Principal to execute such contract documents, if any, and give such  
 Contractor's Bond or Bonds, if the Principal shall pay to the Owner the difference, not to exceed the penal  
 sum hereof, between the amount specified in the bid and such larger amount for which the Owner may in  
 good faith contract with another party to construct the project, then this obligation shall be void,  
 otherwise to remain in full force and effect.*

*IN WITNESS WHEREOF, the undersigned have caused this instrument to be executed and their respective  
corporate seals to be affixed and attested by their duly authorized representatives this*

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
*Principle* (Seal)

*ATTEST:* By \_\_\_\_\_

\_\_\_\_\_  
*Secretary* \_\_\_\_\_  
*Title*

\_\_\_\_\_  
*Surety* (Seal)

*ATTEST:* By \_\_\_\_\_

\_\_\_\_\_  
*Secretary* \_\_\_\_\_  
*Title*

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## CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION – LOWER TIER COVERED TRANSACTIONS

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### INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
4. The terms *covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded*, as used in this clause, have the meaning set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transactions with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction,” without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

**CERTIFICATION**

- (1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

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Organization Name

---

PR/Award or Project Name

---

Name and Title

---

Signature

---

Date



**LOBBYING CERTIFICATION**

**Certification for Contracts, Grants, Loans, and Cooperative Agreements**

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

---

Organization Name

---

Name and Title of Authorized Official

---

Signature

---

Date

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INTERIM FINANCING

If this project is financed in part by the Rural Telephone Bank, an agency of the United States of America, the references in the contract documents to "the United States of America and the Government" shall mean the "Rural Telephone Bank", as well, and the references to the "Administrator" shall mean the "Governor" of the Rural Telephone Bank as well. If the project is financed wholly by the Rural Telephone Bank, the reference to "the United States of America" and the "Government" shall mean the Rural Telephone Bank and the references to the "Administrator" shall mean the "Governor" of the Rural Telephone Bank. References to RUS loans or loan contracts shall include RUS guarantees of loans by others.

The Owner, notwithstanding the references in the contract documents to the RUS or Rural Telephone Bank financing of the work herein provided for, plans to use funds other than RUS or Rural Telephone Bank loan funds initially and expects to be reimbursed subsequently with RUS or Rural Telephone Bank loan funds in whole or in part. It is understood that:

1. An RUS, RTB, and/or FFB loan for this work \_\_\_\_has \_\_\_\_ has not (owner to check one) been made and has not been released.
2. Arrangements have been made for other funds so that invoices may be paid promptly in accordance with the contract provisions.
3. Approval of the contract by RUS or the Rural Telephone Bank shall not be construed as a commitment to make a loan for this purpose.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Owner

By \_\_\_\_\_  
President

\_\_\_\_\_  
Date

\_\_\_\_\_  
Contractor

By \_\_\_\_\_

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## SUPPLEMENT A TO CONSTRUCTION CONTRACT RUS FORM 515

The Bidder agrees that the following provisions shall be a part of the Proposal to which this Supplement is attached and shall supersede all provisions of the Proposal which are inconsistent herewith:

1. The following Section 24 shall be added on Page 113:

- 24(a) The Bidder understands and agrees that, if this proposal is accepted, the Owner shall furnish to the Bidder the materials set forth in the attached "List of Owner's Materials on Hand" and the Bidder will give a receipt therefore in writing to the Owner. The Bidder further agrees, at its expense and in on behalf of the Owner, to promptly receive, unload, transport and handle all materials and equipment on the "List of Materials Ordered by Owner but Not Delivered" when delivered and shall be responsible for demurrage, if any, and will promptly forward to the Owner the Bidder's receipt in writing for such materials. The materials referred to above are on hand at, or will be delivered to the locations specified in the attached Lists and the Bidder will use such materials in constructing the Project.
- (b) The Contractor's Bond shall be in a penal sum of not less than the contract price, which is the sum of all labor and materials including owner-furnished materials covered by this Supplement A.
- (c) The references in the Construction Agreement to "materials," except in Article IV Section 1(f), Page 124, shall be understood to mean only materials to be furnished by the Bidder.
- (d) The value of the completed Assembly Units certified to by the Bidder each month pursuant to article III, Section 1(a) Pages 120 and 121, of the Construction Agreement shall be reduced by an amount equal to the value of the materials installed by the Bidder during the preceding month which have been furnished by the Owner or the delivery of which has been accepted by the Bidder on behalf of the Owner. Only 95 percent of the remainder shall be paid prior to the completion of the Project. The value of such materials for the purpose of this Supplement shall be computed on the basis of the unit prices stated in the attached Lists, and not on the Bidder's material unit bid prices. Materials, if any, not required for the Project, which has been accepted by the Bidder on behalf of the Owner, shall be returned to the Owner by the Bidder upon completion of the construction of the Project. The value of all materials not installed in the Project or returned to the Owner shall be deducted from the final payment to the Bidder.

- (e) The Owner shall furnish such materials, if any, as may be required for the Project in excess of the quantities set forth in the attached Lists. In such event, the value of such excess materials shall be determined on the basis of the unit prices stated in the attached Lists and payments to the Bidder on account of such excess materials furnished by the Owner shall be reduced in the manner provided in paragraph (d) above.

2. Section 15, Page 110, shall be revised to read as follows:

- 15. The unit prices for Assembly Units in this Contractor's Proposal include provisions for the payment of all moneys which will be payable by the Bidder or the Owner in connection with the construction of the Project on account of taxes imposed by any taxing authority upon the sale, purchase, or use of materials, supplies and equipment or services or labor of installation thereof, to be incorporated in the Project as part of such Assembly Units. The Bidder agrees to pay all such taxes except on Owner Furnished Materials and it is understood that, as to Owner Furnished Materials, the values stated in the attached "List of Owner's Materials on Hand" and "List of Materials Ordered by Owner but Not Delivered" include such taxes, if applicable. The Bidder will furnish to the appropriate taxing authorities all required information and reports pertaining to materials used in construction of the project except as to Owner Furnished Materials.

		_____ Bidder	
_____ Date	By	_____ Title	
		_____ Owner	
_____ Date	By	_____ Title	

CONTRACTOR'S PROPOSAL  
(Proposal Shall be Submitted in Ink or Typewritten)

To: \_\_\_\_\_

(hereinafter called the "Owner").

1(a) The undersigned (hereinafter called the "Bidder") hereby proposes to construct the rural telecommunications project

in strict accordance with the Plans, Specifications, and Construction Sheets and Special Drawings therefore, indicated below, and by this reference made a part hereof, and to furnish all materials, machinery, tools, equipment, labor, transportation and other means necessary therefore, for the prices hereinafter stated.

The Engineer will check the applicable Specification Packet(s) which become(s) a part of the Contract by this reference:

RUS Form 515a - Specifications and Drawings for Construction of Direct Buried Plant (RUS Bulletin 1753F-150).

Dated: \_\_\_\_\_

RUS Form 515b - Specifications and Drawings for Construction of Underground Plant (RUS Bulletin 1753F-151).

Dated: \_\_\_\_\_

RUS Form 515c - Specifications and Drawings for Construction of Aerial Plant (RUS Bulletin 1753F-152).

Dated: \_\_\_\_\_

RUS Form 515d - Specifications and Drawings for Service Installations at Customer Access Locations (RUS Bulletin 1753F-153).

Dated: \_\_\_\_\_

The following Standards are applicable: (Engineer to insert date)

RUS Bulletin 1753F-401 (PC-2) Dated: \_\_\_\_\_  
RUS Bulletin 1753F-201 (PC-4) Dated: \_\_\_\_\_  
RUS Bulletin 1753F-801 (PC-5A) Dated: \_\_\_\_\_

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Section BA - BURIED PLANT HOUSING STUB POLE UNITS

If wood stub pole units are to be used they will conform to the following: (Engineer will fill in)

Stub Pole Plan: (Check one or more if acceptable)

- (1) Insured warranted \_\_\_\_ (2) Independent inspected \_\_\_\_
- (3) Quality Assurance Program \_\_\_\_

Kind of Preservative: \_\_\_\_\_

Method of Treatment: (Check one or more if acceptable)

- (1) Pressure \_\_\_\_ (2) Thermal Process: Full Length \_\_\_\_

Note: If not indicated in the above spaces, the Bidder may select the kind of preservative, and the method of treatment for supplying the stub pole units. Stub pole units furnished on the Project shall all be under the same pole plan, and of the same species, kind of preservative, and method of treatment, and shall meet the latest RUS specifications in effect at the time the bid is received.

The minimum dimensions for stub poles are:

- Round - Top 4-1/2 inches (in.) [11.3 centimeters (cm)],  
Bottom 5 in. (12.7 cm) (Diameter)
- Sawn - 4-1/2 in. (11.4 cm) x 3-1/2 in. (9.0 cm)

When Stub poles are required that exceed these minimums, indicate the required minimum in the following spaces: Round - Bottom diameter \_\_\_\_ in. (\_\_\_\_ cm), Top diameter \_\_\_\_ in. (\_\_\_\_ cm), Sawn \_\_\_\_ in. (\_\_\_\_ cm) x \_\_\_\_ in. (\_\_\_\_ cm).

Stub Poles for mounting buried plant housings shall be set 3.0 feet (ft) [0.9 meters (m)] in either soil or solid rock. If a greater depth in soil is necessary for wood stub pole units, it shall be indicated in the following space: \_\_\_\_ ft (\_\_\_\_ m) (Engineer to fill in).

Unit	No. of Units	Unit Price			Extended Price Labor and Materials
		Labor	Materials	Labor and Materials	

Total, Section BA \_\_\_\_\_

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Section BFC - BURIED FILLED COPPER CABLE ASSEMBLY UNITS  
(Continued)

The depth of buried cable in soil measured from the top of the cable to the surface of the ground is 24 in. (61 cm) minimum. If the cable is to be plowed for the entire project to a minimum depth greater than 24 in. (61 cm), the Engineer will indicate the required minimum depth in the following space below:

\_\_\_\_\_ in. (\_\_\_\_\_ cm).

If any section of cable is to be installed to a depth greater than the minimum depth stated above, the applicable BFC units will be suffixed by the letter "E" followed by the required depth in parentheses.

The cable to be used with the above buried filled cable units shall have a shield as indicated below:

\_\_\_\_\_ Standard, Coated Aluminum

\_\_\_\_\_ Standard, Copper

\_\_\_\_\_ Gopher Resistant, Containing Copper

\_\_\_\_\_ Gopher Resistant, Coated Aluminum/Coated Steel

The following type(s) of conductor insulation shall be used:

\_\_\_\_\_ Solid

\_\_\_\_\_ Expanded

\_\_\_\_\_ If checked by the Engineer, preconnectorized cable may be used at the option of the contractor for reel end splices.

\_\_\_\_\_ If checked by the Engineer, warning tape shall be used.

Total, Section BFC \_\_\_\_\_

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Section BFO - BURIED FILLED FIBER OPTIC CABLE ASSEMBLY UNITS  
(continued)

The depth of buried cable in soil measured from the top of the cable to the surface of the ground is 24 in. (61 cm) minimum. If the cable is to be plowed for the entire project to a minimum depth greater than 24in. (61 cm), the Engineer will indicate the required minimum depth in the following space below:

\_\_\_\_\_ in. (\_\_\_\_\_ cm).

If any section of cable is to be installed to a depth greater than the minimum depth stated above, the applicable BFO units will be suffixed by the letter "E" followed by the required depth in parentheses.

The cable to be used with the above fiber optic cable units shall be as specified below:

- \_\_\_\_\_ Attenuation (if other than normal specification value)
- \_\_\_\_\_ Bandwidth requirement for multimode fibers
- \_\_\_\_\_ Multiple loose tube core construction
  - \_\_\_\_\_ If checked, dry filled core
  - \_\_\_\_\_ If checked, gel filled core
- \_\_\_\_\_ Unit or central core tube construction
- \_\_\_\_\_ Metallic strength members
- \_\_\_\_\_ Non-metallic strength members

Other characteristics as required: (Define)

- 1.
- 2.
- 3.
- 4.

\_\_\_\_\_ If checked by the Engineer, preconnectorized cable may be used at the option of the contractor for reel end splices.

\_\_\_\_\_ If checked by the Engineer, warning tape shall be used.

Total, Section BFO \_\_\_\_\_

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Section CFO - SELF SUPPORTING FILLED FIBER OPTIC CABLE  
ASSEMBLY UNITS

Unit	No. of Units	Unit Price			Extended Price Labor And Materials
		Labor	Materials	Labor and Materials	

The cable to be used with the above fiber optic cable units shall be as specified below:

- \_\_\_\_\_ Attenuation (if other than normal specification value)
- \_\_\_\_\_ Bandwidth requirement for multimode fibers
- \_\_\_\_\_ Armored
- \_\_\_\_\_ Unarmored
- \_\_\_\_\_ Multiple loose tube core construction
  - \_\_\_\_\_ If checked, dry filled core
  - \_\_\_\_\_ If checked, gel filled core
- \_\_\_\_\_ Unit or central core tube construction

Other characteristics as required: (Define)

- 1.
- 2.
- 3.
- 4.

\_\_\_\_\_ If checked by the Engineer, the cable shall be spiraled around the suspension strand at all locations shown on the Construction Sheets. Spiraling of cable shall be in accordance with the Construction Guide Drawing 250-1.

\_\_\_\_\_ If checked by the Engineer, preconnectorized cable may be used at the option of the contractor for reel end splices.

Total, Section CFO \_\_\_\_\_

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Section CO - AERIAL FILLED FIBER OPTIC CABLE ASSEMBLY UNITS

Unit	No. of Units	Unit Price			Extended Price Labor And Materials
		Labor	Materials	Labor and Materials	

The cable to be used with the above fiber optic cable units shall be as specified below:

- \_\_\_\_\_ Attenuation (if other than normal specification value)
- \_\_\_\_\_ Bandwidth requirement for multimode fibers
- \_\_\_\_\_ Armored
- \_\_\_\_\_ Unarmored
- \_\_\_\_\_ Multiple loose tube core construction
  - \_\_\_\_\_ If checked, dry filled core
  - \_\_\_\_\_ If checked, gel filled core
- \_\_\_\_\_ Unit or central core tube construction
- \_\_\_\_\_ Metallic strength members
- \_\_\_\_\_ Non-metallic strength members

Other characteristics as required: (Define)

- 1.
- 2.
- 3.
- 4.

\_\_\_\_\_ If checked by the Engineer, the cable shall be spiraled around the suspension strand at all locations shown on the Construction Sheets. Spiraling of cable shall be in accordance with the Construction Guide Drawing 250.

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Section CO - AERIAL FILLED FIBER OPTIC CABLE ASSEMBLY UNITS  
(continued)

\_\_\_\_\_ If checked by the Engineer, the existing lashing wire shall be removed and the new and existing cables shall be double lashed to the existing suspension strand at all locations shown on the Construction Sheets.

The lashing wire to be used with the above aerial cable shall be the size and materials indicated by the Engineer: \_\_\_\_\_ (\_\_\_\_\_) stainless steel, \_\_\_\_\_ (\_\_\_\_\_) aluminum.

\_\_\_\_\_ If checked by the Engineer, preconnectorized cable may be used at the option of the contractor for reel end splices.

\_\_\_\_\_ If checked by the Engineer, Extra High Strength (EHS) galvanized steel strand shall be used.

Total, Section CO \_\_\_\_\_

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Section CW - AERIAL FILLED COPPER CABLE ASSEMBLY UNITS  
(Continued)

The cable to be used with the above aerial cable units shall have a shield as indicated below:

\_\_\_\_\_ Coated Aluminum

\_\_\_\_\_ Copper

The following type(s) of conductor insulation shall be used:

\_\_\_\_\_ Solid

\_\_\_\_\_ Expanded

\_\_\_\_\_ If checked by the Engineer, the cable shall be spiraled around the suspension strand at all locations shown on the Construction Sheets. Spiraling of cable shall be in accordance with the Construction Guide Drawing 250.

\_\_\_\_\_ If checked by the Engineer, the existing lashing wire shall be removed and the new and existing cables shall be double lashed to the existing suspension strand at all locations shown on the Construction Sheets.

The lashing wire to be used with the above aerial cable shall be the size and materials indicated by the Engineer: \_\_\_\_\_ (\_\_\_\_\_) stainless steel, \_\_\_\_\_ (\_\_\_\_\_) aluminum.

\_\_\_\_\_ If checked by the Engineer, preconnectorized cable may be used at the option of the contractor for reel end splices.

\_\_\_\_\_ If checked by the Engineer, Extra High Strength (EHS) galvanized steel strand shall be used.

Total, Section CW \_\_\_\_\_

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Section HA - AERIAL SPLICE CLOSURE ASSEMBLY UNITS

Unit	No. of Units	Unit Price			Extended Price Labor and Materials
		Labor	Materials	Labor and Materials	

Total, Section HA \_\_\_\_\_

Section HBF - BURIED FILLED SPLICE CLOSURE ASSEMBLY UNITS

Unit	No. of Units	Unit Price			Extended Price Labor and Materials
		Labor	Materials	Labor and Materials	

Total, Section HBF \_\_\_\_\_

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Section HC - COPPER SPLICING ASSEMBLY UNITS

Unit	No. of Units	Unit Price			Extended Price Labor and Materials
		Labor	Materials	Labor and Materials	

Total, Section HC \_\_\_\_\_

Section HO - FIBER OPTIC SPLICING ASSEMBLY UNITS

Unit	No. of Units	Unit Price			Extended Price Labor and Materials
		Labor	Materials	Labor and Materials	

Total, Section HO \_\_\_\_\_

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Section HR - READY ACCESS CLOSURE ASSEMBLY UNITS

Unit	No. of Units	Unit Price			Extended Price Labor and Materials
		Labor	Materials	Labor and Materials	

Total, Section HR \_\_\_\_\_

Section HU - UNDERGROUND SPLICE CLOSURE ASSEMBLY UNITS

Unit	No. of Units	Unit Price			Extended Price Labor and Materials
		Labor	Materials	Labor and Materials	

Total, Section HU \_\_\_\_\_

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Section PE - GUY ASSEMBLY UNITS

Unit	No. of Units	Unit Price			Extended Price Labor and Materials
		Labor	Materials	Labor and Materials	

\_\_\_\_\_ If checked by the Engineer, Extra High Strength (EHS) galvanized steel strand shall be used.

Total, Section PE \_\_\_\_\_

Section PF - ANCHOR ASSEMBLY UNITS

Unit	No. of Units	Unit Price			Extended Price Labor and Materials
		Labor	Materials	Labor and Materials	

Total, Section PF \_\_\_\_\_

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Section R - RIGHT-OF-WAY CLEARING AND TRIMMING UNITS -  
AERIAL PLANT

Unit	No. of Units	Unit Price			Extended Price Labor and Materials
		Labor	Materials	Labor and Materials	

Note 1: Trees that are felled shall be cut to commercial wood length and left on the side of the right-of-way for the landowner. Commercial wood length means the length designated by the Engineer, but in no case shall be required to be less than \_\_\_\_\_ feet (\_\_\_\_\_ meters).

Note 2: Brush, branches, and refuse from the clearing operations shall, without delay, be disposed of by one of the following methods as directed by the Engineer: (Engineer to strike out methods not to be used.)

- a. Chipped and Blown
- b. Removed from the vicinity of the right-of-way
- c. Piled on one side of the right-of-way in such manner as to not obstruct roads, ditches, etc.
- d. Other (Describe):

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Total, Section R \_\_\_\_\_

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Section UF - UNDERGROUND FILLED COPPER CABLE ASSEMBLY UNITS

Unit	No. of Units	Unit Price			Extended Price Labor and Materials
		Labor	Materials	Labor and Materials	

The cable to be used with the above underground cable units shall have a shield as indicated below:

\_\_\_\_\_ Coated Aluminum

\_\_\_\_\_ Copper

The following type(s) of conductor insulation shall be used:

\_\_\_\_\_ Solid

\_\_\_\_\_ Expanded

\_\_\_\_\_ If checked by the Engineer, preconnectorized cable may be used at the option of the contractor.

Total, Section UF \_\_\_\_\_

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Section UO - UNDERGROUND FILLED FIBER OPTIC CABLE ASSEMBLY UNITS

Unit	No. of Units	Unit Price			Extended Price Labor and Materials
		Labor	Materials	Labor and Materials	

The cable to be used with the above fiber optic cable units shall be as specified below:

- \_\_\_\_\_ Attenuation (if other than normal specification value)
- \_\_\_\_\_ Bandwidth requirement for multimode fibers
- \_\_\_\_\_ Multiple loose tube core construction
  - \_\_\_\_\_ If checked, dry filled core
  - \_\_\_\_\_ If checked, gel filled core
- \_\_\_\_\_ Unit or central core tube construction
- \_\_\_\_\_ Metallic strength members
- \_\_\_\_\_ Non-metallic strength members

Other characteristics as required: (Define)

- 1.
- 2.
- 3.
- 4.

\_\_\_\_\_ If checked by the Engineer, preconnectorized cable may be used at the option of the contractor for reel end splices.

Total, Section UO \_\_\_\_\_

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Section XZ - REUSABLE MATERIALS REMOVAL UNITS (continued)

VALUE AND DISPOSITION OF UNITS TO BE REMOVED

Assembly Unit Designation	Assembly Unit Material Value	Charges to Contractor		No. of Assembly Units to Be Reused	Credit To Contractor For Material Turned In	
		No. of Assembly Units	Extended Value		No. of Assembly Units	Extended Value
1	2	3	4	5	6	7

Note: Columns 1 through 7 should be filled in by Engineer.

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LIST OF SPECIAL ASSEMBLY UNIT DRAWINGS AND SPECIAL GUIDE DRAWINGS

(NOTE: Engineer will indicate by listing below the special assembly unit drawings and special guide drawings which have been prepared. These drawings are considered to be a part of this Contract.)

LIST OF CHANGES, ADDITIONS, AND DELETIONS

The Bidder understands that the following changes, additions, or deletions have been made in the Contractor's Proposal, Description of Assembly Units, Engineering Details, Material and Installation Specifications, List of Construction Sheets, Assembly Unit Drawings and Guide Drawings, of the standard RUS Form 515 and the applicable Specification Packet(s) are considered to be part of this contract referred to hereof:

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LIST OF KEY AND DETAIL MAPS

Map Number	Description

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LIST OF CABLE PLANT LAYOUT MAPS

Map Number	Description

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LIST OF CONSTRUCTION SHEETS

Map Number	Description

This page intentionally left blank.

LIST OF SPECIAL ARRANGEMENT UNITS

Map Number	Description

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PROPOSAL SUMMARY

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Section A . . . . .	_____
Section BA . . . . .	_____
Section BD . . . . .	_____
Section BDO . . . . .	_____
Section BDS . . . . .	_____
Section BFC . . . . .	_____
Section BFO . . . . .	_____
Section BH . . . . .	_____
Section BM . . . . .	_____
Section CFO . . . . .	_____
Section CO . . . . .	_____
Section CW . . . . .	_____
Section HA . . . . .	_____
Section HBF . . . . .	_____
Section HC . . . . .	_____
Section HO . . . . .	_____
Section HR . . . . .	_____
Section HU . . . . .	_____
Section NID . . . . .	_____
Section PE . . . . .	_____
Section PF . . . . .	_____
Section PM . . . . .	_____
Section R . . . . .	_____

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PROPOSAL SUMMARY  
(continued)

Section SE . . . . . \_\_\_\_\_  
Section UD . . . . . \_\_\_\_\_  
Section UF . . . . . \_\_\_\_\_  
Section UH . . . . . \_\_\_\_\_  
Section UM . . . . . \_\_\_\_\_  
Section UO . . . . . \_\_\_\_\_  
Section W . . . . . \_\_\_\_\_  
Section XX . . . . . \_\_\_\_\_  
Section XZ . . . . . \_\_\_\_\_

Total \$ \_\_\_\_\_

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2. The Bidder agrees to furnish and use in the construction of the Project under this Proposal, in the event the Contract is awarded to the Bidder, only such materials and equipment as are included in RUS Informational Publication (IP) 344-2, "List of Materials Acceptable for Use on Telecommunications Systems of RUS Borrowers," including revisions adopted prior to the Bid Opening, unless specific written approval has been granted by the Administrator of the Rural Utilities Service (hereinafter called the "Administrator").

3. The Bidder understands and agrees that the various Assembly Units on which bids are made in this Proposal are as set out in the "Description of Assembly Units" of the Specifications, that all said bids are on a unit basis, and that the Owner may specify any number or combination of Assembly Units that the Owner, with the approval of the Administrator, may deem necessary for the construction of the Project.

4. The Bidder has made a careful examination of the site of the Project to be constructed and of the Plans, Specifications, Descriptions of Assembly Units, Construction Sheets, and forms of Construction Agreement and Contractor's Bond attached hereto, and has become informed as to the location and nature of the proposed construction, the transportation facilities, the kind and character of soil and terrain to be encountered, and the kind of facilities required before and during the construction of the Project, and has become acquainted with the labor conditions which would affect work on the proposed construction.

5. The Bidder understands that the location shown on Construction Sheets for existing telecommunications plant and other utilities is approximate, and that the restrictions on cable placement shown on the Construction Sheets may be altered in accordance with Article V, Section A.1.3, as existing underground facilities are located by the Bidder during construction.

6. The Bidder agrees, in connection with pole and stub pole units, as follows:

- (a) To furnish poles and stub pole units, in accordance with specifications, standards and requirements of the Administrator.
- (b) That the prices for poles set forth herein include the cost of preservative treatment and inspection or insured warranty.

- (c) To obtain from the Supplier copies of the inspection and treatment reports or insured warranties and to submit such reports or warranties to the Owner as one of the prerequisites to monthly and/or final payments.

7. The Bidder agrees to make such changes in construction previously installed in the Project by the Bidder as required by the Owner for prices arrived at as follows:

- (a) For manhole units, or underground conduit units, the compensation for such change shall be as agreed upon, in writing, by the Bidder and the Owner and approved by the Administrator prior to the commencement of work in connection with such change.
- (b) For all other units, the compensation for such change shall be the reasonable cost thereof, but in no event shall it exceed two (2) times the labor price quoted in the Proposal for the installation of the unit to be changed. Such compensation shall be in lieu of any other payment for the installation and removal of the original unit. (If a new or replacing unit is installed, payment for such new or replacing unit shall be made as shown in the final inventory.)

Where changes involve plant that is abandoned in place and is not inventoried, or where additional compensation is due as per the above, a Construction Change Order (RUS Form 216) shall be prepared and included with the Closeout Documents.

No payment shall be made to the Bidder for materials or labor involved in correcting errors or omissions on the part of the Bidder which result in construction not in accordance with the Plans and Specifications.

8. The Bidder also agrees that when it is necessary to construct units not shown in the Proposal it will construct such units for a price arrived at as follows:

The cost of materials shall be determined by the invoices.

The cost of labor shall be the reasonable cost thereof but in no event shall it exceed an amount determined by calculating the ratio of the total labor costs to the total material costs in the section of the Proposal involved, and multiplying the cost of materials for the unit in question by this ratio: Provided, however, that in respect of section BM, the ratio shall be calculated

for only those units of the section which are similar to the new unit for which a price is to be determined.

9. This Proposal is made pursuant to the provisions of the Instructions to Bidders attached hereto and the Bidder agrees to the terms and conditions thereof.

10. The Bidder shall comply with all applicable construction codes.

(a) The Bidder warrants that it possesses Contractor's License No. \_\_\_\_\_ issued to it by the State of \_\_\_\_\_ in which the Project(s) is located and said license expires on \_\_\_\_\_, 20\_\_\_\_.

(b) The Bidder warrants that no license is required in the state in which the Project(s) is located.

(Bidder shall cross out that subsection that does not apply)

11. The Bidder warrants that this Proposal is made in good faith and without collusion or connection with any person or persons bidding for the same work.

12. The Bidder agrees that in the event this Proposal is accepted it will execute a Contract in the form on file with the Owner and that if awarded the Contract, it will make available for use in connection with the proposed construction:

- a. All necessary tools and equipment.
- b. Qualified superintendent and foreman.

13. The Bidder warrants that it possesses adequate financial resources and agrees that in the event this proposal is accepted it will furnish a Contractor's Bond in one of the forms (RUS Form 168b or 168c) attached hereto and in a penal sum not less than the Contract price, which is the sum of all labor and materials including owner-furnished materials installed in the Project, with a surety or sureties listed by the United States Treasury Department as Acceptable Sureties.

In the event that the surety or sureties on the Contractor's Bond delivered to the Owner contemporaneously with the execution of the Contract or any bond or bonds delivered in substitution therefore, or in addition thereto, shall, at any time, become unsatisfactory to the Owner or the

Administrator, the Bidder agrees to deliver to the Owner another or an additional bond.

14. The Bidder agrees to commence the construction of the Project, on a date (hereinafter called the "Commencement Date") which shall be determined by the Engineer after notice, in writing, of approval of the Construction Contract by the Administrator and notice in writing from the Bidder that the Bidder has available sufficient materials to warrant commencement and continuation of construction, but in no event will the Commencement Date be later than \_\_\_\_\_ calendar days after the date of approval of the Construction Contract by the Administrator.

The Bidder agrees to strive diligently to obtain materials to commence and maintain construction of the Project and agrees to prosecute diligently and to complete construction of the Project in strict accordance with the Plans, Specifications, Construction Sheets and Special Drawings

within \_\_\_\_\_ (\_\_\_\_\_) calendar days (excluding Saturdays, Sundays, and legal holidays) after the Commencement Date. Provided, however, that the Bidder will not be required to dig holes, set poles, install anchors or install underground conduit if there are more than 6 in. (15.2 cm) of frost in the ground nor to perform any construction on such days when in the judgment of the Engineer, snow, rain, or wind or the results of snow, rain, or frost make it impracticable to perform any operation of construction; provided further that the Bidder will not perform any plowing for the installation of buried cable on public roads or highways if there are more than 2 in. (5.08 cm) of frost in the ground.

To the extent of any time lost due to the conditions described herein and approved in writing by the Engineer, the time of completion set out above will be extended if the Bidder makes a written request therefore to the Owner as provided in Article II, Section 1(a) of the Construction Agreement.

15. The unit prices for Assembly Units in this Contractor's Proposal include provisions for the payment of all moneys which will be payable by the Bidder or the Owner in connection with the construction of the Project on account of taxes imposed by a taxing authority upon the sale, purchase or use of materials, supplies and equipment, or services or labor of installation thereof, to be incorporated in the Project as part of such Assembly Units. The Bidder agrees to pay all such taxes and to furnish to the appropriate taxing

authorities all required information and reports pertaining thereto.

16. The Bidder understands and agrees that the quantities called for in this proposal are approximate, and that the total number of units upon which payment shall be made shall be as set forth in the inventory based on the Construction Sheets, both of which shall be subject to approval by the Administrator.

If the Owner changes the quantity of any Assembly Unit or Assembly Units specified in this Proposal by more than five (5) percent, and the materials cost to the Bidder is increased thereby to an extent which would not be adequately compensated by application of the unit prices in this Proposal to the revised quantity of such unit or units, such change, to the extent of the quantities of such units in excess of such five (5) percent, shall be regarded as a change in the construction within the meaning of Article II, Section 1(d) of the Construction Contract.

17. The Bidder understands and agrees that approximately \_\_\_\_\_ miles(\_\_\_\_\_ km) of proposed pole lines in the Project will be constructed along the same right-of-way as that occupied by existing telecommunications lines of the Owner. The Bidder will perform the work in such manner as not to cause interruption of service on such existing lines during the construction of the proposed lines of the Project occupying the same right-of-way. To accomplish this, the Bidder may "lean" or alter the position of the existing poles and make other temporary adjustment to line or service wires required so as to permit construction of the Project to proceed without interrupting service on the existing lines. The Bidder understands and agrees that the compensation for such temporary work is included in the unit price for Assembly Units in this Contractor's Proposal required for the construction of Project lines occupying the same right-of-way as existing telecommunications lines of the Owner and that Rearrangement (W) Units will not be applicable to such temporary work.

18. The Bidder understands and agrees that approximately \_\_\_\_\_ miles (\_\_\_\_\_ km) of proposed buried cable will be constructed along the same right-of-way and adjacent to existing buried telecommunications facilities of the Owner. The sizes and general locations of existing buried telecommunications facilities are shown on the Construction Sheets. It will be the Bidder's responsibility to perform the work in such a manner as not to cause interruption of service

on existing buried facilities during the construction of the proposed buried cable. To accomplish this, the Bidder will furnish and operate any cable locating equipment necessary to establish the actual location of existing buried facilities. The bidder will be responsible for maintaining shield continuity and proper grounding of existing cables in the time frame between housing installation and splicing operations.

19. The Bidder will furnish, prior to the commencement of buried plant construction, proof, satisfactory to the Owner, of compliance with requirements of highway and road authorities having jurisdiction, including without limitation, the furnishing of a bond or other guaranty, and approval by such authorities of the equipment and methods of construction and repair to be used by the Bidder.

20. The Bidder will not perform any work hereunder on Saturdays, Sundays, and legal holidays unless there is urgent need for such work and the Owner consents thereto in writing. The time for completion specified in Paragraph 14 hereof shall not be affected in any way by inclusion of consent to work on the days specified above.

21. The Bidder represents that:

It has , does not have , 100 or more employees, and if it has, that

It has , has not , furnished the Equal Employment Opportunity-Employers Information Report EEO-1, Standard Form 100, required of employers with 100 or more employees pursuant to Executive Order 11246 and Title VII of the Civil Rights Act of 1964.

The Bidder agrees that if it has 100 or more employees and has not submitted a report on Standard Form 100 for the current reporting year and that if this contract will amount to more than \$10,000, the Bidder will file such report, as required by law, and notify the Owner in writing of such filing prior to the Owner's acceptance of this Proposal.

The Bidder agrees that it will obtain, prior to the award of any subcontract for more than \$10,000 hereunder to a subcontractor with 100 or more employees, a statement, signed by the proposed subcontractor, that the proposed subcontractor has filed a current report on Standard Form 100.

22. The Bidder certifies that it does not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not permit its employees to perform their services at any location, under its control, where segregated facilities are maintained. The Bidder



certifies further that it will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it will not permit its employees to perform their services at any location, under its control, where segregated facilities are maintained. The Bidder agrees that a breach of this certification is a violation of the Equal Opportunity Clause in this contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and washrooms, restaurants and other eating areas, timeclocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. The Bidder agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) it will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity Clause, and that it will retain such certifications in its files.

23. The Bidder represents that to the extent required by Executive Order 12549, Debarment and Suspension, and 7 CFR Part 3017, it has submitted to the Owner a duly executed Certification in the form prescribed in 7 CFR Part 3017. The Bidder shall not enter into any subcontract with any person or firm debarred from Government Contracts pursuant to Executive Order 11246.

Note: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

Attest:

\_\_\_\_\_  
(Secretary)

\_\_\_\_\_  
(Date)

By \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name - Type or Print)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Name and Address of Bidder)

(The Proposal must be signed with the full name of the Bidder. In the case of a partnership, the Proposal must be signed in the firm name by each partner. In the case of a corporation the Proposal must be signed in the corporate name by a duly authorized officer and the Corporate seal affixed and attested by the Secretary of the Corporation.)

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CONSTRUCTION AGREEMENT

Agreement made \_\_\_\_\_, 20\_\_\_\_, by and between  
\_\_\_\_\_  
(hereinafter called the  
"Owner"), a corporation organized and existing under the  
laws of the State of \_\_\_\_\_  
and \_\_\_\_\_  
\*Individual \*Corporation \*Partnership  
\*Identify applicable organization type.  
(hereinafter called the "Contractor"), organized and existing  
under the laws of the State of \_\_\_\_\_.

WHEREAS, the United States of America (hereinafter called  
the "Government") by the Administrator of the Rural Utilities  
Service has entered into a loan contract (hereinafter called  
the "Loan Contract") with the Owner providing for a loan to  
the Owner for the construction of a rural telecommunications  
project designated by the Rural Utilities Service as

\_\_\_\_\_.

NOW, THEREFORE, in consideration of the mutual  
undertakings herein contained, the parties hereto agree as  
follows:

Article I - ACCEPTANCE OF PROPOSAL

Section 1. Acceptance.

The Owner accepts the Contractor's Proposal and the  
parties hereto agree that the Assembly Units which shall be  
used in the construction of the Project, and to which the Unit  
Prices as set forth in said Proposal shall apply, are as  
follows, and that the materials which shall be used in the  
construction of the Project shall be as set forth in said  
Proposal.

Assembly Units:

Sections, \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

For a more detailed description of said Assembly Units and materials reference shall be made to the Material and Construction Specifications, Construction Sheets and Plans, Special Drawings, and Description of Assembly Units. The Contractor shall report any error or ambiguity discovered in the Plans and Specifications to the Engineer before starting work.

Section 2. Description of Contract.

The Instructions to Bidders, the Proposal, Description of Assembly Units, Material and Construction Specifications, Construction Sheets and Plans, and Special Drawings are hereby by reference incorporated herein and together with the Construction Agreement constitute the Contract.

Article II - CONSTRUCTION

Section 1. Time and Manner of Construction.

(a) The time for Completion of Construction set forth in the Contractor's Proposal shall be extended for the period of any reasonable delay which is due exclusively to causes beyond the control and without the fault of the Contractor, including acts of God, fires, floods, inability to obtain materials, and acts or omissions of the Owner with respect to matters for which the Owner is solely responsible: Provided, however, that no such extension of time for completion shall be granted the Contractor unless within ten (10) days after the happening of any event relied upon by the Contractor for such an extension of time the Contractor shall have made a request therefore in writing to the Owner, and provided further, that no delay in such time of completion or in the progress of the work which results from any of the above causes except acts or omissions of the Owner shall result in any liability on the part of the Owner.

(b) The sequence of construction shall be as set forth below, the names being the designations of central office areas corresponding to the names shown on the maps attached hereto. For each central office area, the sequence of construction shall be designated by remote serving areas or Work Sectors shown on maps of the central office areas. If no sequence of construction is set forth below, the sequence shall be as determined by the Contractor, subject to the approval of the Engineer.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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(c) The Contractor shall perform work in such a manner as to maximize preservation of beauty and conservation of natural resources and minimize marring and scarring of the landscape and silting of streams. The Contractor shall not deposit trash in streams or waterways, and shall not deposit herbicides or other chemicals or their containers in or near streams, waterways or pastures. The Owner or Engineer shall also make available such other environmental information pursuant to the project as in the Environmental Report (ER) covering the project.

(d) The Owner, acting through the Engineer, and with the approval of the Administrator, may, from time to time, during the progress of the construction of the Project, make such changes, additions to, or subtractions from the Plans, Specifications, Construction Sheets, Special Drawings and cable placement locations which are part of the Contractor's Proposal and in the sequence of construction provided for in the preceding section as conditions may warrant: Provided, however, that if any change in the construction to be done shall require an extension of time, a reasonable extension will be granted if the Contractor shall make a written request therefore to the Owner within ten (10) days after any such change is made. And provided, further, that if the cost of materials to the Contractor is increased by such change or addition, the Owner shall pay the Contractor for the reasonable cost thereof, included, if necessary, in a construction contract amendment (RUS Form 526) signed by the Owner and the Contractor, and approved by the Administrator (see 7 CFR part 1753.11). Any claim for additional compensation for a change or addition will not be considered unless the Contractor shall have made a written request therefore and approved by the Owner prior to the commencement of work in connection with such change or addition (refer to Contractor's Proposal, Paragraph 16).

(e) Except as otherwise agreed to by the Owner, all work shall be performed without interruption to or interference with existing telecommunications service, if any.

## Section 2. Supervision and Inspection.

(a) The Contractor shall cause the construction work on the Project to receive constant supervision by a competent superintendent (hereinafter called the "Superintendent") who shall be present at the Project during working hours when construction is being carried on. The Contractor shall also employ, in connection with the construction of the Project, capable, experienced and reliable foremen and such skilled workmen as may be required for the various classes of work to be performed. Directions and instructions given to the Superintendent shall be binding upon the Contractor.

(b) The Owner reserves the right to require the removal from the Project of any employee of the Contractor if in the judgment of the Owner such removal shall be necessary in order to protect the interest of the Owner. The Owner shall have the right to require the Contractor to increase the number of its employees and to increase or change the amount or kind of tools and equipment if at any time the progress of the work shall be unsatisfactory to the Owner; but the failure of the Owner to give such directions shall not relieve the Contractor of its obligations to complete the work within the time and in the manner specified in this Contract.

(c) The manner of construction of the Project, and all materials and equipment used therein, shall be subject to the inspection, tests and approval of the Engineer and the Administrator, and the Contractor shall furnish all information required by the Engineer or by the Administrator concerning the nature or source of any materials incorporated or to be incorporated in the Project. The Owner and the Administrator shall have the right to inspect all payrolls, invoices of materials, and other data and records of the Contractor and of any subcontractor, relevant to the construction of the Project. The Contractor shall provide all reasonable facilities necessary for such inspection and tests and shall maintain an office at the site of Project, with telecommunications service where obtainable, and at least one office employee to whom directions and instructions may be delivered. Delivery of such directions or instructions in writing to the employee of the Contractor at such office shall constitute delivery to the Contractor. The Contractor shall have an authorized agent accompany the Engineer when final inspection is made and, if requested by the Owner, when any other inspection is made.

(d) In the event that the Owner shall determine that the construction contains or may contain numerous defects, it shall be the duty of the Contractor and the Contractor's

surety or sureties to have an inspection made by an Engineer approved by the Owner and the Administrator for the purpose of determining the exact nature, extent and location of such defects.

(e) The Engineer may recommend to the Owner that the Contractor suspend the work wholly or in part for such period or periods as may be deemed necessary due to unsuitable weather or such other conditions as are considered unfavorable for the satisfactory prosecution of the work or because of the failure of the Contractor to comply with any of the provisions of the Contract: Provided, however, that the Contractor shall not suspend work pursuant to this provision without written authority from the Owner so to do. The time of completion hereinabove set forth shall be increased by the number of days of any such suspension, except when such suspension is due to the failure of the Contractor to comply with any of the provisions of this Contract. In the event that work is suspended by the Contractor with the consent of the Owner, the Contractor before resuming work shall give the Owner at least twenty-four (24) hours notice thereof in writing.

### Section 3. Defective Workmanship and Materials.

(a) The acceptance of any workmanship, materials, or equipment by the Owner or Engineer shall not preclude the subsequent rejection thereof if such workmanship, materials or equipment shall be found to be defective after delivery or installation, and any such workmanship, materials or equipment found defective before final acceptance of the construction shall be remedied or replaced, as the case may be, by and at the expense of the Contractor. Any condemned material or equipment shall be immediately removed from the site of the Project by the Contractor at the Contractor's expense. The Contractor shall not be entitled to any payment hereunder so long as any defective workmanship, materials or equipment in respect to the Project, of which the Contractor shall have had notice, shall not have been remedied or replaced, as the case may be.

(b) Notwithstanding any certificate which may have been given by the Owner or Engineer, if any workmanship, material, or equipment which does not comply with the requirements of this Contract shall be discovered within one (1) year after completion of construction of the Project or Section, the Contractor shall remedy any such defective workmanship or replace such defective materials or equipment within thirty (30) days after notice in writing of the existence thereof shall have been given by the Owner. In the event of failure by the Contractor to do so, the Owner may remedy such

defective workmanship or replace such defective materials or equipment, as the case may be, and in such event the Contractor shall pay to the Owner the cost and expense thereof. Except as otherwise agreed to by the Owner all such corrective work shall be performed by the Contractor without interruption to or interference with existing telecommunications service, if any.

### Article III - PAYMENTS AND RELEASE OF LIENS

#### Section 1. Payments to Contractor.

(a) Within the first fifteen (15) days of each calendar month, the Owner shall make partial payment to the Contractor for construction accomplished which includes cleanup during the preceding calendar month on the basis of completed Assembly Units invoiced by and certified to by the Contractor, recommended by the Engineer and approved by the Owner solely for purposes of payment. Provided, however, that such approval shall not be deemed approval of the workmanship or materials. Only ninety-five percent (95%) of each such invoice approved during the construction of the project shall be paid by the Owner to the Contractor prior to completion of the Contract. Upon completion by the Contractor of the construction of the Project, the Engineer will prepare a Final Inventory of the project showing the total number of and character of Assembly Units and, after checking such Inventory with the Contractor, will certify it to the Owner, together with a certificate of the total cost of the construction performed. Upon the approval of such certificates by the Owner and the Administrator, the Owner shall make payment to the Contractor of all amounts to which the Contractor shall be entitled thereunder which shall not have been paid: Provided, however, that such final payment shall be made not later than ninety (90) days after the date of completion of construction of the Project, as specified in the Certificate of Completion, unless withheld because of the fault of the Contractor. For purposes of payment pursuant to this Article III, Section 1(a), "Construction Accomplished" shall not include the delivery to the Project Site of cable, wire, and conduit materials for appropriate Assembly Units. Provided, however, that payments to the Contractor for such cable, wire, and conduit materials delivered to the Project Site shall be made to the extent that the aggregate amount of all such payments shall not exceed eighty percent (80%) of the material costs, as set forth in the assembly unit prices, up to a maximum \$1,000,000. The payments shall be considered due and payable when placement of cable, wire, and conduit materials begin. When the amount of cable, wire, and conduit materials delivered to the Project Site exceed the \$1,000,000



initial payment or additional cable, wire, and conduit materials are delivered to the Project Site subsequent to the initial payment, additional payments will be made up to eighty percent (80%) of the material unit prices, only after \$100,000 or more of the cable, wire, and conduit materials have been incorporated into the Project. Payments made on account of such material shall be subtracted from the monthly estimates of completed Assembly Units.

(b) The Contractor shall be paid on the basis of the number of Assembly Units actually installed at the direction of the Owner, as shown by the inventory based on the Construction Sheets and applicable construction change orders (RUS Form 216 attached hereto): Provided, however, that the total cost shall not exceed the maximum Contract price for the construction of the Project as computed from the Proposal, unless such excess shall have been approved in writing by the Administrator. It is understood and agreed that this Contract price is

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\_\_\_\_\_dollars (\$\_\_\_\_\_).

(c) Notwithstanding the provisions of Section 1(a) above, the Contractor may, by giving written notice thereof to the Owner, elect to receive payment in full for any Section of the Project upon:

- (i) completion of construction of such Section as certified by the Engineer and approved by the Owner and the Administrator;
- (ii) submission to the Owner and the Administrator of the releases of lien and the certificate referred to in Section 2 hereof;
- (iii) approval by the Owner and the Administrator of the Final Inventory in respect to such Section; and
- (iv) submission to the Owner and the Administrator of the consent in writing by the surety or sureties on the Contractor's Bond to payment in full for such Section prior to Completion of the Project.

(d) Interest at the rate of one and one-half percent (1-1/2%) per annum higher than the "Prime Rate" published in the Wall Street Journal in its first issue of the month, but in no event greater than that allowed by any Federal or State laws shall be paid by the Owner to the Contractor on all unpaid balances due on monthly estimates, commencing fifteen

(15) days after the due date; provided the delay in payment beyond the due date is not caused by any condition within the control of the Contractor. Said interest rate shall be determined as of the first date interest becomes due. The due date for purpose of such monthly payments shall be fifteen (15) days after submittal by the Contractor to the Owner of its certification of Assembly Units completed and approval by the Owner within fifteen (15) days of the Contractor's submittal. If, for reasons not due to the Contractor's fault, such approval shall have been given within fifteen (15) days of submittal, the due date for purposes of this subsection (d) shall be fifteen (15) days after submittal notwithstanding the absence of the approval of the certification.

(e) Interest at the rate of one and one-half percent (1-1/2%) per annum higher than the "Prime Rate" published in the Wall Street Journal in its first issue of the month, but in no event greater than that allowed by any Federal or State laws shall be paid by the Owner to the Contractor on the final payment for the Project or any completed Section thereof, commencing fifteen (15) days after the due date. Said interest rate shall be determined as of the first date interest becomes due. The due date for purposes of such final payment shall be the date of approval by the Administrator of all of the documents requiring such approval, as a condition precedent to the making of final payment, or ninety (90) days after the date of the completion of construction of the Project, as specified in the Certificate of Completion, unless withheld because of the fault of the Contractor, whichever date is earlier.

(f) No payment shall be due while the Contractor is in default in respect of any provisions of this Contract and the Owner may withhold from the Contractor the amount of any claim by a third party against either the Contractor or the Owner based upon an alleged failure of the Contractor to perform the work hereunder in accordance with the provisions of this Contract.

Section 2. Release of Liens and Certificate of Contractor.  
(See Form 224, Waiver and Release of Lien, and Form 231,  
Certificate of Contractor, attached hereto)

Upon the completion by the Contractor of the construction of the Project (or any Section thereof if the Contractor shall elect to receive payment in full for any Section when completed as provided above) but prior to payment to the Contractor of any amount in excess of ninety-five percent (95%) of the total cost of all Assembly Units comprising the completed Project or such Section, the Contractor shall

deliver to the Owner, in duplicate, releases of all liens and of rights to claim any lien, in the form attached hereto, from all manufacturers, materialmen, and subcontractors furnishing services or materials for the Project or such Section and a certificate in the form attached hereto to the effect that all labor used on or for the Project or such Section has been paid and that all such releases have been submitted to the Owner.

Section 3. Payments to Materialmen and Subcontractors.

The Contractor shall pay each materialman, and each subcontractor if any, within five (5) days after receipt of any payment from the Owner, the amount thereof allowed the Contractor for and on account of materials furnished or construction performed by each materialman or each subcontractor.

Article IV - PARTICULAR UNDERTAKINGS OF THE CONTRACTOR

Section 1. Protection to Persons and Property.

The Contractor shall at all times take all reasonable precautions for the safety of employees on the work and of the public, and shall comply with all applicable provisions of Federal, State and Municipal safety laws, environmental regulations, and building and construction codes.

The following provisions shall not limit the generality of the above requirements:

(a) The Contractor shall at no time and under no circumstances cause or permit any employee of the Contractor to perform any work upon poles carrying energized electric power lines, except on telecommunications system units having clearances from the electric power system equal to or greater than required by applicable provisions of Federal, State or Municipal laws or regulations and the National Electrical Safety Code (NESC).

(b) The Contractor shall so conduct the construction of the Project as to cause the least possible obstruction of public highways.

(c) The Contractor shall provide and maintain all such guard lights and other protection for the public as may be required by applicable statutes, ordinances and regulations or by local conditions.

(d) The Contractor shall do all things necessary or expedient to protect properly any and all parallel, converging and intersecting lines, joint line poles, highways, other utilities and any and all property of others from damage, and in the event that any such parallel, converging and intersecting lines, joint line poles, highways, other utilities or other property are damaged in the course of the construction of the Project the Contractor shall at its own expense restore any or all of such damaged property immediately to as good a state as before such damage occurred.

(e) Where the construction corridor of the Project traverses cultivated land, the Contractor shall limit the movement of its crews and equipment so as to cause as little damage as possible to crops, orchards, or property and shall endeavor to avoid marring the lands. All fences which are necessarily opened or moved during the construction of the Project shall be replaced in as good condition as they were found and precautions shall be taken to prevent the escape of livestock. Except as otherwise provided in respect of buried plant in the description of Assembly Units, the Contractor shall not be responsible for loss of or damage to crops, orchards or property (other than livestock) on the construction corridor necessarily incident to the construction of the Project and not caused by negligence or inefficient operation of the Contractor. The Contractor shall be responsible for all other loss of or damage to crops, orchards, or property, whether on or off the construction corridor and for all loss of or damage to livestock caused by the construction of the Project.

(f) The Project, from the commencement of work to completion of construction, or to such earlier date or dates when the Owner may take possession and control in whole or in part as hereinafter provided shall be under the charge and control of the Contractor and during such period of control by the Contractor all risks in connection with the construction of the Project and the materials to be used therein shall be borne by the Contractor. The Contractor shall make good and fully repair all injuries and damages to the Project or any portion thereof under the control of the Contractor by reason of any act of God or other casualty or cause whether or not the same shall have occurred by reason of the Contractor's negligence. The Contractor shall hold the Owner harmless from any and all claims for injuries to persons or for damage to property happening by reason of any negligence on the part of the Contractor or any of the Contractor's agents or employees during the control by the Contractor of the Project or any part thereof.

(g) Any and all excess earth, rock, debris, underbrush and other useless material shall be removed by the Contractor from the site of the Project or relocated (distributed) to the satisfaction of the Owner as rapidly as practicable as the work progresses.

(h) Upon violation by the Contractor of any of the provisions of this Section, after written notice of such violation given to the Contractor by the Engineer or the Owner, the Contractor shall immediately correct such violation. Upon failure of the Contractor to do so, the Owner may correct such violation at the Contractor's expense. Provided, however, that the Owner may, if it deems it necessary or advisable, correct such violation at the Contractor's expense without such prior notice to the Contractor.

(i) The Contractor shall immediately notify the Owner of any accidents, giving such data as may be prescribed by the Owner.

(j) The Contractor shall not proceed with the cutting of trees or clearing of right-of-way without written notification from the Owner that proper authorization has been received from the Owner of the Property, and the Contractor shall promptly notify the Owner whenever any landowner objects to the trimming or felling of any trees or the performance of any other work on its land in connection with the Project and shall obtain the consent in writing of the Owner before proceeding in any such case.

## Section 2. Delivery of Possession and Control to Owner.

(a) Upon written request of the Owner, the Contractor shall deliver to the Owner full possession and control of any portion of the Project, provided the Contractor shall have been paid at least ninety-five percent (95%) of the cost of construction of such portion. Upon such delivery of the possession and control of any portion of the Project to the Owner, the risk and obligations of the Contractor as set forth in Article IV, Section 1(f) hereof, with respect to such portion of the Project so delivered to the Owner shall be terminated: Provided, however, that nothing herein contained shall relieve the Contractor of any liability with respect to defective workmanship or materials as contained in Article II, Section 3, hereof.

(b) Where the construction of a Section as defined in Article VII, Section 1(f) shall have been completed and tested by the Contractor, the Owner agrees, after receipt of a

written request from the Contractor, to accept delivery of possession and control of such Section upon the issuance by the Engineer of a written statement that the Section has been inspected and found acceptable by the Engineer. For the purpose of the foregoing provision only, a Section may be considered completed even if telecommunications set assembly units have not been installed because the Owner's central office (CO) equipment has not been installed at the time the Section was constructed by the Contractor. Upon such delivery of the possession and control of any such Section to the Owner, the risk and obligations of the Contractor as set forth in Article IV, Section 1(f) hereof, with respect to such Section so delivered to the Owner shall be terminated: Provided, however, that nothing herein contained shall relieve the Contractor of any liability with respect to defective workmanship or materials as contained in Article II, Section 3, hereof.

### Section 3. Pre-cutover Testing of the Project.

(a) Prior to the Completion of Construction of the Project, the Owner, acting in accordance with plans of the Engineer, upon written notice to the Contractor, may perform operational tests of any portion or portions thereof. During the period of such tests, the portion or portions of the Project being so tested shall be considered as within the possession and control of the Owner and governed by the Provisions of Section 2 of this Article. Upon written notice to the Contractor by the Owner of the completion of such tests said portion or portions of the Project shall be considered as returned to the possession and control of the Contractor unless the Owner shall elect to continue possession and control in the manner provided in Section 2 of this Article.

(b) The Owner shall have the right to permanently place in service any portion or portions of the Project delivered to its possession and control pursuant to the provisions of Section 2 of this Article.

### Section 4. Insurance.

During the Contractor's performance hereunder, the Contractor shall take out and maintain fully paid insurance providing not less than the minimum coverage required by 7 CFR part 1788, Subpart C.

[ ] When checked by the Owner, with respect to the insurance required by 7 CFR part 1788, Subpart C, the Contractor shall include as co-insured the Owner, and their personnel, and the Engineer and their personnel. The added costs shall be included in the bid price.

The Owner shall have the right to require public liability insurance and property damage liability insurance in an amount greater than those required in 7 CFR Part 1788, Subpart C. The added costs shall be included in the bid price.

Upon request by the Administrator, the Contractor shall furnish to the Administrator a certificate in such form as the Administrator may prescribe, evidencing compliance with the foregoing requirements. (See 7 CFR part 1788.55)

#### Section 5. Purchase of Materials.

The Contractor shall purchase all materials and supplies outright and not subject to any conditional sales agreement, bailment lease, or other agreement reserving to the seller any right, title, or interest therein. All materials and supplies shall become the property of the Owner upon acceptance.

#### Section 6. Assignment of Guarantees.

All guarantees of materials and workmanship running in favor of the Contractor shall be transferred and assigned to the Owner upon completion of construction and at such time as the Contractor receives final payment.

#### Section 7. Patent Infringement.

The Contractor shall save harmless and indemnify the Owner from any and all claims, suits and proceedings for the infringement of any patent or patents covering any materials or equipment used in construction of the Project.

#### Section 8. Permits for Explosives.

All permits necessary for the handling or use of dynamite or other explosives in connection with the construction of the Project shall be obtained by and at the expense of the Contractor.

#### Section 9. Compliance with Statutes and Regulations.

The Contractor shall comply with all applicable statutes, ordinances, rules, and regulations pertaining to the construction of the Project.

## Article V - ENGINEERING, CONSTRUCTION, AND INSPECTION DETAILS

### A. Engineering and Construction.

#### Section 1. Staking of the Project.

1.1 The Engineer shall determine the locations and types of all unit assemblies to be installed. As a part of the release for construction, the Contractor shall receive from the Engineer five (5) complete sets of Construction Sheets including reference sketches showing the location of all assembly units.

1.2 The Construction Sheets showing the proposed plant shall be jointly reviewed in the field by the Contractor and the Engineer prior to construction. The Contractor shall at that time propose any changes or clarifications he feels desirable. These changes, if approved by the Engineer, will be made at that time and so recorded on the Construction Sheets and initialed by the Engineer and Contractor.

1.3 No changes in the construction proposed as set forth on the Construction Sheets shall be made by the Contractor without the prior approval of the Engineer. A representative of the Engineer will remain in the immediate vicinity of the construction activities at all times and will be available to consider and approve any changes proposed by the Contractor, if acceptable. The representative of the Engineer will also be available to inspect any damage to cable or wire and to approve the methods of repair or correction of such damage in accordance with the provisions of these Specifications.

1.4 Due to the necessity of making on-the-spot corrections and changes on Construction Sheets, it will not be possible for the Engineer to issue revised Construction Sheets to the Contractor in all cases. When changes are made, dated, and initialed by the Engineer on any set of the Contractor's Construction Sheets, it shall be the Contractor's responsibility to transfer these changes to all other sets of Construction Sheets being used by the Contractor for construction purposes.

#### Section 2. Construction Sheets and Maps.

The maps showing the location of the central offices and the general routes and locations of all lines in the Project are listed separately hereinafter and are part of the Plans and Specifications. No deviations from these maps, except for minor rerouting and minor changes dictated by field conditions and authorized by the Engineer, shall be made. The



Construction Sheets showing types and details of construction to be used for various conditions along the lines are also listed separately hereinafter and are a part of these specifications.

### Section 3. Cable Schematics and Assignment Information.

3.1 The Engineer will provide the Contractor with five (5) copies of cable schematics for each central office area at the time the Contractor is furnished Construction Sheets for the area. The cable schematics will show the following:

- (a) Cable and wire sizes, gauges, and pair counts of copper cables.
- (b) Number of optical fibers.
- (c) Route designations.
- (d) Housing or splice closure numbers.
- (e) Pair counts to be terminated, spliced, or cross-connected at each housing or splice closure.
- (f) Number of optical fibers to be spliced.
- (g) Location of repeater points and electronic terminal equipment.

3.2 At a time agreed to by the Engineer and Contractor to coordinate with the Contractor's construction schedule, the Engineer shall provide the Contractor with five (5) sets of telephone numbers and cable pair assignment data.

### Section 4. Outside Plant Inventory.

The Contractor shall provide a competent representative to work with the Engineer on the ongoing and final inventory and inspection of outside plant units. The wire and cable shall be inventoried immediately after the placement operation.

### Section 5. Pre-installation Inspection of Cable.

5.1 The Contractor and Engineer shall jointly inspect a representative sample of cable and wire on reels prior to installation. Based on the inspection, the Engineer shall make a determination if the cable and wire are suitable for construction. Unsuitable reels of cable and wire shall be replaced by the Contractor. In the case of nonconformance of a minor nature not affecting performance of the cable, the

Contractor and Owner may negotiate a basis for the use of these nonconforming cables. In such cases, the specific characteristic being waived shall be noted in writing.

5.2 The Engineer shall determine the degree of inspection and measurements necessary to make a judgment of cable and wire suitability. This judgment should be based on past experience, current circumstances, and the results of the inspection and any measurements on the cable and wire. The following inspection guidelines are suggested:

- a. Make sure that cable and wire are identified properly on the reel identification labels. Does it contain the proper shield, number of pairs, gauge size, number of fibers, etc. Bi-metallic shields can be detected by using a magnet.
- b. Note any physical damage to the cable and wire. Pay special attention to cables and wires with damaged or weakened reels.
- c. End caps should be secured in place on both ends of the cable and wire. Also, the reel wrap, when present, shall be retained on the reel until the cable and wire are ready to be placed.
- d. Compare sequential markings with labels on reels and double check footages. Measure sequentials on a spot check basis to assure correct tolerances. Note quality and clarity of sequentials.
- e. Filled cable and wire shall be carefully checked for the presence of filling compound at the ends.
- f. Check for uniform jacket thickness and tightness of the jacket. Note any buckling of the jacket which would indicate possible problems with the shield.
- g. As the circumstances warrant, make electrical and/or optical measurements on a sample lot of cable and wire to determine that the appropriate RUS specification requirements are met. The physical inspection of the cable and past history should be used as a guide to determine (a) if any electrical or optical measurements are warranted; or (b) what degree of electrical or optical measurements are warranted. In general, extensive measurements of cable and wire are not recommended.

## B. INSPECTIONS AND ACCEPTANCE TESTS

### Section 1. General.

1.1 Except for the items mentioned in paragraph 1.2, the inspections and acceptance tests specified herein shall be made after the physical completion of the various types of outside plant facilities in each exchange area or work sector and shall not replace the normal supervision, inspection, and tests to be made by the Contractor and the Engineer during the progress of the construction work. Unless otherwise indicated, all inspection and acceptance tests specified herein shall be performed jointly by the Contractor and the Engineer under the direct supervision of the Engineer.

1.2 Buried splice closures shall be individually inspected during installation for proper encapsulation and flash tested when applicable. Cable and wire shield or armor continuity tests shall also be conducted on each length of cable or wire containing a buried splice immediately after installation and prior to backfilling. Tests for leakage, continuity, crosses, splits, etc., shall be made on all spliced pairs prior to backfilling.

### Section 2. Inspections.

2.1 The Contractor and the Engineer shall jointly inspect splice closures, cable terminals, buried plant housings, Network Interface Devices, service entrances, and other housings applicable to the plant facilities constructed pursuant to the Contract. Except where otherwise stated these inspections shall be on a random sampling basis and the samples inspected in each instance shall consist of at least five percent (5%) of the specified assembly units installed in each exchange, but no fewer than ten (10) terminals, ready-access closures, housings, and Network Interface Device installations in each exchange. A written report giving the date, location of the plant inspected, and tabulated results of the inspections, signed by the Engineer and Contractor shall be presented to the Owner after the inspections are completed.

2.2 Where aerial copper cable is installed, a joint inspection shall be made of the sample terminals (including ready-access closures) selected at random throughout the exchange by the Engineer. This inspection shall be made to ensure that:

- a. All pairs are terminated properly.
- b. Splices are free from reversed, transposed and split pairs.
- c. Shields of aerial cables and suspension strands are properly bonded and grounded and that the bonding harnesses have been properly installed.
- d. Specified pairs have been protected and proper protectors used.
- e. Pair splicing in ready-access closures is made in accordance with pair assignment data furnished to the Contractor by the Engineer.
- f. Specifications for terminal and ready-access closure installations have been met in every aspect in accordance with RUS Splicing Standard Bulletin 1753F-401 (PC-2).
- g. Good workmanship in the pole mounted terminal or closure installations has been performed.

2.3 Where aerial fiber cable and self supporting fiber optic cable is installed, a joint inspection shall be made of the sample splice closures selected at random throughout the exchange by the Engineer. This inspection shall be made to ensure that:

- a. All optical fibers are terminated properly.
- b. When present, armors of aerial cables and suspension strands are properly bonded and grounded and that the bonding harnesses have been properly installed.
- c. The minimum bending radius of the buffer tubes is not exceeded.
- d. Good workmanship in the closure installations has been performed.

2.4 Where buried copper cable or wire is installed, a joint inspection shall be made of the sample housings and splice closures selected at random throughout the exchange by the Engineer. This inspection shall be made to ensure that:

- a. Splices are free from reversed, transposed and split pairs.
- b. Pair splicing is made in accordance with pair assignment data issued to the Contractor by the Engineer.
- c. Cable and wire directional markings are as shown in the Construction Sheets.
- d. Shields are properly bonded and grounded and that the bonding harnesses have been properly installed.
- e. Specifications for cable and wire splicing installations have been met in every respect in accordance with RUS Splicing Standard Bulletin 1753F-401(PC-2).
- f. Good workmanship in the housing installations has been performed.
- g. Warning, cable route, and buried splice signs, and housing letters and numbers are properly installed.
- h. All buried splice closures have been installed properly and splices flash tested, when applicable. These inspections may be performed during and immediately after installation as stated in Paragraph 1.2.
- i. All buried service entrances are installed properly in housings at premises.

2.5 Where buried fiber optic cable is installed, a joint inspection shall be made of the sample housings and splice closures selected at random throughout the exchange by the Engineer. This inspection shall be made to ensure that:

- a. All optical fibers are terminated properly.
- b. Armors properly bonded and grounded and that the bonding harnesses have been properly installed.
- c. The minimum bending radius of the buffer tubes is not exceeded.

- d. Cable directional markings are as shown in the Construction Sheets.
- e. Warning, cable route, and buried splice signs, and housing letters and numbers are properly installed.
- f. All buried splice closures have been installed properly. These inspections may be performed during and immediately after installation as stated in Paragraph 1.2.
- g. Good workmanship in the closure installations has been performed.

2.6 Where a cable is installed over which electronic carrier systems will operate, an inspection shall be made jointly by the Engineer and the Contractor of the entire length of cable to ensure that:

- a. All shields and armor are properly bonded and grounded and that the bonding harnesses have been properly installed.
- b. The specified gauge and size of the copper cable and the number of optical fibers are installed in accordance with the Plans and Specifications.
- c. No loading coils have been installed on the cable pairs over which the carrier equipment will operate.
- d. The housings to which the carrier repeaters are to be connected are spaced at the proper intervals. Any minor deviations shall be noted and corrected on the cable schematics.
- e. Cable directional markings are as shown on the Construction Sheets at each housing where a cable carrier repeater is to be installed.

2.7 Where Network Interface Devices are included under this Contract, a joint inspection shall be made of the sample installations selected at random throughout the exchange by the Engineer. The inspection shall be made to ensure that:

- a. All wire runs have required clearances.
- b. Aerial service wire spans have proper sags.

- c. Correct wire fasteners have been used and at required intervals.
- d. All wires on and in buildings have been installed in a neat and inconspicuous manner.
- e. The Network Interface Device (including its ground) has been properly located, installed, and wired and is of the proper type.
- f. The proper type and gauge of ground wire is used and properly routed and specified bonding is implemented.
- g. A ground rod of proper type is installed, if required.
- h. The buried service guard has been properly installed.
- i. Good workmanship has been used throughout the installation, and any damage to the premises or grounds has been adequately repaired.

### Section 3. Acceptance Tests and Measurements.

All acceptance tests and measurements to be performed on the various portions of the outside plant construction pursuant to this Contract, and the party(s) who will participate in conducting the acceptance tests and measurements, shall be as checked in the Schedule of Acceptance Tests and Measurements Table listed below. All tests and measurements shall be conducted by the Engineer in accordance with RUS Bulletin 1753F-201(PC-4), "RUS Standard for Acceptance Tests and Measurements of Telecommunications Plant." A written report including the tabulated results of the acceptance tests and measurements on forms similar to those included in RUS Bulletin 1753F-201(PC-4), "RUS Standard for Acceptance Tests and Measurements of Telecommunications Plant" shall be signed by the Engineer and the Contractor and furnished to the Owner. Where Contractor participation is specified, compensation shall be included in the appropriate cable unit.

Schedule of Acceptance Tests and Measurements

Description of Test or Measurement	Test or Measurement			Participants		
	Subscriber Loop Plant		Trunk Plant	Owner	Engineer	Contractor
	Dist. Pairs	Feeder Pairs				
Copper Shield or Shield/Armor Continuity	X	X	X		P	P
Conductor Continuity	X*	X	7X		P	P
Conductor Insulation Resistance	X*	X	X		P	P
DC Loop Resistance			N/A		P	P
DC Loop Resistance Unbalance			N/A		P	P
Loop Measurements (Loop Checking)			N/A			
One-Person Open Circuit Measurement			N/A		P	P
Cable Insertion Loss at Carrier Frequencies			N/A		P	P
Fiber Armor Continuity	X	X	X		P	P
Fiber Optic Splice Loss - Field	X	X	X		P	P
Fiber Optic Splice Loss - C.O.	X	X	X		P	P
End-to-End Attenuation	X	X	X		P	P
End-to-End Fiber Signature	X	X	X		P	P
Signal-to-C Notched Noise(S/CNN)						
Signal-to-Intermodulation Distortion(S/IMD)						
Envelope Delay Distortion(EDD)						
Amplitude Jitter(AJ)						
Phase Jitter (PJ)						
Impulse Noise						
Shield or Armor Ground Resistance	X	X	X		P	P



Schedule of Acceptance Tests and Measurements  
(continued)

Description of Test or Measurement	Test or Measurement	Participants		
		Owner	Engineer	Contractor
CO and Remote Switching Terminal (RST) Ground Measurement			P	P
Electronic Equipment Ground Resistance			P	P

Fiber Splice loss tests to be performed at: \_\_1310nm \_\_1550nm  
(Engineer to check one or both wavelengths above)

Engineer to check  optional tests to be made.

X - These are standard tests and measurements required on facilities as designated by the Engineer, constructed or installed under this Contract.

NA - Not Applicable.

\* - These tests will not be required on distribution pairs that are not cross-connected to feeder pairs at time of acceptance testing.

P - Indicates participation in conducting acceptance tests and measurements.

Article VI - REMEDIES

Section 1. Completion of Contractor's Default.

If default shall be made by the Contractor or by any subcontractor in the performance of any of the terms of this Contract, the Owner, without in any manner limiting its legal and equitable remedies in the circumstances, may serve upon the Contractor and the surety or sureties upon the Contractor's Bond or Bonds a written notice requiring the Contractor to cause such default to be corrected forthwith. Unless within twenty (20) days after the service of such notice upon the Contractor such default shall be corrected or arrangements for the correction thereof, satisfactory to both the Owner and the Administrator, shall be made by the Contractor or its surety or sureties, the Owner may take over the construction of the Project and prosecute the same to completion by contract or otherwise for the account and at the expense of the Contractor, and the Contractor and its surety or sureties shall be liable to the Owner for any cost or expense in excess of the contract price occasioned thereby. In such event the Owner may take possession of and utilize, in completing the construction of the Project, any materials, tools, supplies, equipment, appliances, and plant belonging to the Contractor or any of its subcontractors, which may be situated at the site of the Project. The Owner in such contingency may exercise any rights, claims or demands which the Contractor may have against third persons in connection with this Contract and for such purpose the Contractor does hereby assign, transfer, and set over unto the Owner all rights, claims, and demands.

Section 2. Liquidated Damages.

The time of the Completion of the Construction of the Project is of the essence of this Contract. Should the Contractor neglect, refuse or fail to complete the construction within the time herein agreed upon, after giving effect to extensions of time, if any, herein provided, then in that event and in view of the difficulty of estimating with exactness damages caused by such delay, the Owner shall have the right to deduct from and retain out of such moneys which may be then due, or which may become due and payable to the

Contractor the sum of \_\_\_\_\_dollars

(\$\_\_\_\_\_) per day for each and every day that such construction is delayed in its completion beyond the specified time, as liquidated damages and not as a penalty; if the amount due and to become due from the Owner to the Contractor

is insufficient to pay in full any such liquidated damages, the Contractor shall pay to the Owner the amount necessary to effect such payment in full: Provided, however, that the Owner shall promptly notify the Contractor in writing of the manner in which the amount retained, deducted, or claimed as liquidated damages was computed.

### Section 3. Cumulative Remedies.

Every right or remedy herein conferred upon or reserved to the Owner or the Government or the Administrator shall be cumulative, shall be in addition to every right and remedy now or hereafter existing at law or in equity or by statute and the pursuit of any right or remedy shall not be construed as an election: Provided, however, that the provisions of Section 2 of this Article VI shall be the exclusive measure of damages for failure by the Contractor to complete the construction of the Project within the time therein agreed upon.

## Article VII - MISCELLANEOUS

### Section 1. Definitions.

(a) The term "Administrator" shall mean the Administrator of the Rural Utilities Service of the United States of America and his duly authorized representatives or any other person in whom or authority in which may be vested the duties and functions which the Administrator is now authorized by law to perform.

(b) The term "Engineer" shall mean the engineer employed by the Owner to provide engineering services for the Project, and said Engineer's duly authorized assistants and representatives.

(c) The term "Supervisor" shall mean the person, if any, appointed by the Administrator as the representative of the Government under the provisions of the Loan Contract providing for such appointment in special cases. The term is limited to such special representative of the Government, if any, who is responsible exclusively to the Administrator and does not refer to the manager or any other person employed by the Owner and responsible to it. Every right or remedy conferred upon or reserved to the Owner hereunder may be exercised by the Supervisor, if any.

(d) The term "Contractor's Proposal" shall mean the proposal of the Contractor including all accompanying documents as therein referred to, a copy of which is attached to and made a part hereof, and upon which the award of the Contract was made.

(e) The term "Project" shall mean the rural telephone system, or portion thereof, described in the Plans and Specifications, Construction Sheets, and Maps.

(f) The term "Section" shall mean a central office area of the Project.

(g) The term "Completion of Construction" shall mean full performance by the Contractor of the Contractor's obligations under the Contract and all amendments and revisions thereof except the Contractor's obligations in respect of (i) Releases of Liens and Certificate of Contractor under Article III, Section 2, hereof; (ii) the Inventory referred to in Article III, Section 1, hereof; and (iii) other final documents. The term "Completion of the Project" or "Completion of a Section" shall mean full performance by the Contractor of the Contractor's obligations under the Contract and all amendments and revisions thereof. The Certificate of Completion, signed by the Engineer and approved in writing by the Owner and the Administrator, shall be the sole and conclusive evidence as to the date of Completion of Construction and as to the fact of Completion of the Project or Section.

(h) The term "Cleanup" shall mean all work necessary to enable the Assembly Units called for on the Construction Sheets to meet specifications as built and to restore the terrain to an acceptable condition.

(i) The term "Work Sector" shall mean a localized portion of the project for purposes of specifying sequence of construction and shall be shown on the maps.

(j) The term "Construction Corridor" shall mean a minimum width of 1 rod (5.0 meters) along the designated route for buried cable and wire placement, which permits passage and operation of the construction equipment. Construction Corridors that equal or exceed the minimum width will not be designated on the Construction Sheets.

(k) The term "Reduced Construction Corridor" shall mean widths less than the standard "Construction Corridor". The approximate width applicable to "Reduced Construction Corridor" shall be shown on the Construction Sheets.

(l) The term "Restricted Construction Corridor" shall mean a "Construction Corridor" or "Reduced Construction Corridor" where the location within the corridor of cable to be placed is specified due to the presence of existing telecommunications plant or the facilities of other utilities, right-of-way restrictions or other factors. The nature of the restriction and the approximate location of the cable placement within the "Restricted Corridor" shall be shown on the Construction Sheets.

(m) The term "Unobtained Construction Corridor" shall mean a "Construction Corridor" where the right-of-way has not been obtained. Unobtained Construction Corridors shall be shown on the Construction Sheets.

(n) The term "Construction Sheets" shall mean staking sheets, strip maps or other sheets provided by the Engineer and designated as work sheets for construction purposes.

(o) The term "Cable Placement Operation" shall mean a construction crew whose sole responsibility is the installation of telecommunications cable which requires an inspector present during the activity. Other activities not requiring an inspector, such as boring without the installation of a cable, pedestal installation, asphalt repairs, clean up, and splicing shall not be considered cable placement operations.

(p) The term "Eligible Country" shall mean any country that applies with respect to the United States an agreement insuring reciprocal access for United States products and services and United States suppliers to the markets of that country, as determined by the United States Trade Representative.

## Section 2. Materials and Supplies.

In the performance of this Contract there shall be used only such unmanufactured articles, materials, and supplies as have been mined or produced in the United States or an eligible country, and only such manufactured articles, materials, and supplies as have been manufactured in the United States or an eligible country, substantially all from articles, materials, or supplies mined, produced, or manufactured, as the case may be, in the United States or an eligible country; Provided, that articles, materials, or supplies not produced or manufactured in the United States, or an eligible country, may be used in the event and to the extent that the Administrator shall expressly in writing authorize such use as pursuant to the provisions of the Rural

Electrification Act of 1938, being Title IV of Public Resolution No. 122, 75th Congress, approved June 21, 1938. The Contractor agrees to submit to the Owner such certificate or certificates (RUS Form 213, attached hereto), signed by the Contractor and all subcontractors, with respect to compliance with the foregoing provisions as the Administrator from time to time may require.

### Section 3. Nonassignment of Contract.

The Contractor shall perform directly, and without subcontracting, not less than fifty percent (50%) of the labor required for the construction of the Project, to be calculated on the basis of that portion of the contract price constituting total labor costs of the Project. The Contractor shall not assign this Contract or any interest in any funds that may be due or become due hereunder or enter into any Contract with any person, firm, or corporation for the performance of the Contractor's obligations hereunder or any part thereof, without the approval in writing of the Owner and the Administrator and of the surety or sureties on any bond furnished by the Contractor for the faithful performance of the Contractor's obligations hereunder. If the Contractor, with the consent of the Owner, the Administrator, and any surety or sureties on the Contractor's Bond or Bonds, shall enter into a subcontract (RUS Form 282, attached hereto) with any subcontractor for the performance of any part of this Contract, the Contractor shall be as fully responsible to the Owner and the Government for the acts and fully responsible to the Owner and the Government for the acts and omissions of such subcontractor and of persons employed by such subcontractor as the Contractor would be for its own acts and omissions and those of persons directly employed by it.

### Section 4. Equal Opportunity Clause.

During the performance of this contract, the Contractor agrees as follows:

(a) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in

conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

(c) The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union workers' representative of the Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and by rules, regulations, and relevant orders of the Secretary of Labor.

(e) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(f) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

(g) The Contractor will include the portion of the sentence immediately preceding paragraph (a) and the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to

any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Contractor may request the United States of America to enter into such litigation to protect the interest of the United States.

Section 5. Anti-Kickback Acts.

The Contractor acknowledges that it is familiar with the Rural Electrification Act of 1936, as amended, the Anti-Kickback Acts, as amended (40 USC 276c; 41 USC 51 et seq.), and regulations issued pursuant thereto, and 18 USC Sections 287, 874, 1001, as amended. The Contractor understands that the obligations of the parties hereunder are subject to the applicable regulations and orders of the Governmental agencies having jurisdiction in the premises.

Section 6. Franchises and Rights-of-Way.

The Contractor shall be under no obligation to obtain or assist in obtaining: Any franchises, authorizations, permits, or approvals required to be obtained by the Owner from Federal, State, County, Municipal, or other authorities; any rights-of-way over private lands; or any agreements between the Owner and third parties with respect to the joint use of poles, crossings, or any other matter incident to the construction and operation of the Project.

Section 7. Extension to Successors and Assigns.

Each and all of the covenants and agreements herein contained shall extend to and be binding upon the successors and assigns of the parties hereto.



Section 8. Approval of This Contract by the Administrator

This Contract shall become effective only upon the approval in writing of the Administrator: Provided, however, that no obligations shall arise hereunder unless such approval is given within ninety (90) days from the date of execution by the parties as indicated herein.

Where Contractor is a Corporation, this section to be used.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be signed in their respective corporate names by their Presidents and their corporate seals to be hereunto affixed and attested by their Secretaries, all as of the day and year first above written.

Attest:

\_\_\_\_\_  
(Secretary)

\_\_\_\_\_  
(Owner)

By \_\_\_\_\_  
(President)

Attest:

\_\_\_\_\_  
(Secretary)

\_\_\_\_\_  
(Contractor)

\_\_\_\_\_  
(President)

Where Contractor is an individual or a partnership this section to be used. If partnership, all parties shall sign.

IN WITNESS WHEREOF, the Owner has caused this Contract to be signed in its corporate name by its President and its corporate seal to be hereunto affixed and attested by its Secretary, and the Contractor(s) has (have) hereunto set his (their) hand(s), all as of the day and year first above written.

Attest:

\_\_\_\_\_  
(Secretary)

\_\_\_\_\_  
(Owner)

By \_\_\_\_\_  
(President)

\_\_\_\_\_  
(Contractor)

\_\_\_\_\_  
(Owner or Partners)

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U.S. Department of Agriculture  
Rural Utilities Service

**WAIVER AND RELEASE OF LIEN**

WHEREAS the undersigned, \_\_\_\_\_  
NAME OF MANUFACTURER, MATERIAL SUPPLIER, OR SUBCONTRACTOR

has furnished to \_\_\_\_\_ the following:  
NAME OF CONTRACTOR

\_\_\_\_\_ for  
KIND OF MATERIAL AND SERVICES FURNISHED

use in the construction of a project belonging to \_\_\_\_\_  
NAME OF BORROWER

and designated by the Rural Utilities Service as \_\_\_\_\_  
RUS DESIGNATION

NOW, THEREFORE, the undersigned, \_\_\_\_\_  
NAME OF MANUFACTURER, MATERIAL SUPPLIER, OR SUBCONTRACTOR

for and in consideration of \$ \_\_\_\_\_ and other good and valuable consideration, the receipt whereof is hereby acknowledged, do(es) hereby waive and release any and all liens, or right to or claim of lien, on the above described project and premises, under any law, common or statutory, on account of labor or materials, or both, heretofore or hereafter furnished by the undersigned to or for the account of said \_\_\_\_\_ for said project.  
NAME OF CONTRACTOR

Given under my(our) hand(s) and seal(s) this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Name of Manufacturer, Material Supplier, or Subcontractor

By \_\_\_\_\_  
President, Vice President, Partner or Owner  
If signed by other than one of foregoing, accompanied by power of attorney signed by one of the foregoing in favor of the signer. (Use applicable designation.)

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U.S. Department of Agriculture  
Rural Utilities Service

## CONTRACTOR'S BOND

1. Know all men that we, \_\_\_\_\_, as  
Principal, and \_\_\_\_\_, as Surety,

are held and firmly bound unto \_\_\_\_\_  
(hereinafter called the "Owner") and unto the United States of America (hereinafter called the "Government")  
and unto all persons, firms and corporations who or which may furnish materials for or perform labor on a

Rural Utilities Service project known as \_\_\_\_\_

and to their successors and assigns, in the penal sum of \_\_\_\_\_

dollars (\$ \_\_\_\_\_), as hereinafter set forth and for the payment of which sum well  
and truly to be made we bind ourselves, our executors, administrators, successors and assigns jointly and  
severally by these presents. Said project is described in a certain construction contract (hereinafter called the

"Construction Contract") between the Owner and the Principal, dated \_\_\_\_\_,  
20\_\_\_\_, pursuant and subject to a certain loan contract (hereinafter called the "Loan Contract") between the  
Owner and the Government, acting through the Administrator of the Rural Utilities Service (hereinafter called  
the "Administrator").

2. The condition of this obligation is such that if the Principal shall well and truly perform and fulfill all the  
undertakings, covenants, terms, conditions and agreements of the Construction Contract and any amendments  
thereto, whether such amendments are for additions, decreases, or changes in materials, their quantity, kind or  
price, labor costs, mileage, routing or any other purpose whatsoever, and whether such amendments are made  
with or without notice to the Surety, and shall fully indemnify and save harmless the Owner and the  
Government from all costs and damages which they, or either of them, shall suffer or incur by reason of any  
failure so to do, and shall fully reimburse and repay the Owner and the Government for all outlay and expense  
which they, or either of them shall incur in making good any such failure of performance on the part of the  
Principal, and shall promptly make payment to all persons working on or supplying labor or materials for use  
in the construction of the project contemplated in the Construction Contract and any amendments thereto, in  
respect of such labor or materials furnished and used therein, to the full extent thereof, and in respect of such  
labor or materials furnished but not so used, to the extent of the quantities estimated in the Construction  
Contract and any amendments thereto to be required for the construction of the project, and shall well and  
truly reimburse the Owner and the Government, as their respective interests may appear, for any excess in cost  
of construction of said project over the cost of such construction as provided in the Construction Contract and  
any amendments thereto, occasioned by any default of the Principal under the Construction Contract and any  
amendments thereto, then this obligation shall be null and void, but otherwise shall remain in full force and  
effect.

3. It is expressly agreed that this bond shall be deemed amended automatically and immediately, without formal  
and separate amendments hereto, upon any amendment to the Construction Contract, so as to bind the  
Principal and the Surety to the full and faithful performance of the Construction Contract as so amended,  
provided only that the total amount of all increases in the cost of construction shall not exceed 20 percent of the  
amount of the maximum price set forth in the Construction Contract. The term "Amendment," wherever used in  
this bond, and whether referring to this bond, the Construction Contract or the Loan Contract shall include any  
alteration, addition, extension, modification, amendment, rescission, waiver, release or annulment, of any  
character whatsoever.

4. It is expressly agreed that any amendment which may be made by agreement or otherwise between the  
Principal and the Owner in the terms, provisions, covenants and conditions of the Construction Contract,  
or in the terms, provisions, covenants and conditions of the Loan Contract (including, without limitation, the

granting by the Administrator to the Owner of any extension of time for the performance of the obligations of the Owner under the Loan Contract or the granting by the Administrator or the Owner to the Principal of any extension of time for the performance of the obligations of the Principal under the Construction Contract, or the failure or refusal of the Administrator or the Owner to take any action, proceeding or step to enforce any remedy or exercise any right under either the Construction Contract or the Loan Contract, or the taking of any action, proceeding or step by the Administrator or the Owner, acting in good faith upon the belief that the same is permitted by the provisions of the Construction Contract or the Loan Contract) shall not in any way release the Principal and the Surety, or either of them or their respective executors, administrators, successors or assigns, from liability hereunder. The Surety hereby acknowledges receipt of notice of any amendment, indulgence or forbearance, made, granted or permitted.

5. This bond is made for the benefit of all persons, firms and corporations who or which may furnish any materials or perform any labor for or on account of the construction to be performed under the Construction Contract and any amendments thereto, and they, and each of them, are hereby made obligees hereunder with the same force and effect as if their names were written herein as such, and they and each of them may sue hereon.

In witness whereof, the undersigned have caused this instrument to be executed and their respective corporate seals to be affixed and attested by their duly authorized representatives this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Principle (Seal)

ATTEST:

By \_\_\_\_\_

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Surety (Seal)

ATTEST:

By \_\_\_\_\_

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Address of Surety's Home Office

By \_\_\_\_\_  
Resident Agent of Surety

**Signatures:** The Contractor's Bond must be signed with the full name of the Contractor. If the Contractor is a partnership the Contractor's Bond must be signed in the partnership name by a partner. If the Contractor is a corporation the Contractor's Bond must be signed in the corporate name by a duly authorized officer and the corporate seal affixed and attested by the Secretary of the corporation. A typewritten copy of all such names and signatures shall be appended.



**Power of Attorney:** *The Contractor's Bond must be accompanied by a power of attorney authorizing execution on behalf of the Surety and, in jurisdictions so requiring should be countersigned by a duly authorized resident agent of the Surety.*

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U.S. Department of Agriculture  
Rural Utilities Service

## CONTRACTOR'S BOND

*(Use only when contract is less than \$1 million and Surety has accepted an SBA\* Guarantee)*

1. Know all men that we, \_\_\_\_\_, as  
Principal, and \_\_\_\_\_, as Surety,  
are held and firmly bound unto \_\_\_\_\_  
(hereinafter called the "Owner") and unto the United States of America (hereinafter called the "Government")  
and unto all persons, firms and corporations who or which may furnish materials for or perform labor  
on a  
Rural Utilities Service project known as \_\_\_\_\_  
and to their successors and assigns, in the penal sum of \_\_\_\_\_  
dollars (\$ \_\_\_\_\_), as hereinafter set forth and for the payment of which sum well  
and truly to be made we bind ourselves, our executors, administrators, successors and assigns jointly and  
severally by these presents. Said project is described in a certain construction contract (hereinafter called the  
"Construction Contract") between the Owner and the Principal, dated \_\_\_\_\_, 20 \_\_\_\_\_,  
pursuant and subject to a certain loan contract (hereinafter called the "Loan Contract") between the Owner  
and the Government, acting through the Administrator of the Rural Utilities Service (hereinafter called the  
"Administrator").
2. The condition of this obligation is such that if the Principal shall well and truly perform and fulfill all the  
undertakings, covenants, terms, conditions and agreements of the Construction Contract and any amendments  
thereto, whether such amendments are for additions, decreases, or changes in materials, their quantity, kind or  
price, labor costs, mileage, routing or any other purpose whatsoever, and whether such amendments are made  
with or without notice to the Surety, and shall fully indemnify and save harmless the Owner and the  
Government from all costs and damages which they, or either of them, shall suffer or incur by reason of any  
failure so to do, and shall fully reimburse and repay the Owner and the Government for all outlay and expense  
which they, or either of them shall incur in making good any such failure of performance on the part of the  
Principal, and shall promptly make payment to all persons working on or supplying labor or materials for use  
in the construction of the project contemplated in the Construction Contract and any amendments thereto, in  
respect of such labor or materials furnished and used therein, to the full extent thereof, and in respect of such  
labor or materials furnished but not so used, to the extent of the quantities estimated in the Construction  
Contract and any amendments thereto to be required for the construction of the project, and shall well and  
truly reimburse the Owner and the Government, as their respective interests may appear, for any excess in cost  
of construction of said project over the cost of such construction as provided in the Construction Contract and  
any amendments thereto, occasioned by any default of the Principal under the Construction Contract and any  
amendments thereto, then this obligation shall be null and void, but otherwise shall remain in full force and  
effect.
3. Provided, that the liability of the Principal and Surety hereunder to the Government shall be subject to the  
same limitations and defenses as may be available to them against a claim hereunder by the Owner, provided,  
however, that the Government may, at its option, perform any obligations of the Owner required by the  
contract.
4. It is expressly agreed that this bond shall be deemed amended automatically and immediately, without formal  
and separate amendments hereto, upon any amendment to the Construction Contract, so as to bind the

\* Small Business Administration

*Principal and the Surety to the full and faithful performance of the Construction Contract as so amended, provided only that the total amount of all increases in the cost of construction shall not exceed 20 percent of the amount of the maximum price set forth in the Construction Contract. The term "Amendment," wherever used in this bond, and whether referring to this bond, the Construction Contract or the Loan Contract shall include any alteration, addition, extension, modification, amendment, rescission, waiver, release or annulment, of any character whatsoever.*

5. *It is expressly agreed that any amendment which may be made by agreement or otherwise between the Principal and the Owner in the terms, provisions, covenants and conditions of the Construction Contract, or in the terms, provisions, covenants and conditions of the Loan Contract (including, without limitation, the granting by the Administrator to the Owner of any extension of time for the performance of the obligations of the Owner under the Loan Contract or the granting by the Administrator or the Owner to the Principal of any extension of time for the performance of the obligations of the Principal under the Construction Contract, or the failure or refusal of the Administrator or the Owner to take any action, proceeding or step to enforce any remedy or exercise any right under either the Construction Contract or the Loan Contract, or the taking of any action, proceeding or step by the Administrator or the Owner, acting in good faith upon the belief that the same is permitted by the provisions of the Construction Contract or the Loan Contract) shall not in any way release the Principal and the Surety, or either of them or their respective executors, administrators, successors or assigns, from liability hereunder. The Surety hereby acknowledges receipt of notice of any amendment, indulgence or forbearance, made, granted or permitted.*
6. *This bond is made for the benefit of all persons, firms and corporations who or which may furnish any materials or perform any labor for or on account of the construction to be performed under the Construction Contract and any amendments thereto, and they, and each of them, are hereby made obligees hereunder with the same force and effect as if their names were written herein as such, and they and each of them may sue hereon.*
7. *Provided, further, that no suit or action shall be commenced hereunder by any person, firm, or corporation who performed work or labor or who furnished materials for the project: (a) Unless such person, firm, or corporation, other one having a direct contract with the Principal (or with the Government in the event the Government is performing the obligation of the Owner), shall have given detailed written notice of claim to: The Principal, and the Owner, within ninety (90) days after such person, firm, or corporation did or performed the last of the work or labor, or furnished the last of the materials for which such claim is made. (b) After the expiration of one (1) year following the date on which Principal ceased work on said contract, it being understood, however, that if any limitation embodied in the Bond is prohibited by any law controlling the construction hereof, such limitation shall be deemed to be amended so as to equal to the minimum period of limitation permitted by such law.*

*In witness whereof, the undersigned have caused this instrument to be executed and their respective corporate seals to be affixed and attested by their duly authorized representatives this*

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Principle (Seal)

ATTEST:

By \_\_\_\_\_

\_\_\_\_\_  
*Secretary*

\_\_\_\_\_

\_\_\_\_\_  
*Surety* (Seal)

**ATTEST:**

By \_\_\_\_\_

\_\_\_\_\_  
*Secretary*

\_\_\_\_\_

\_\_\_\_\_  
*Address of Surety's Home Office*

By \_\_\_\_\_  
*Resident Agent of Surety*

\_\_\_\_\_

**Signatures:** *The Contractor's Bond must be signed with the full name of the Contractor. If the Contractor is a partnership the Contractor's Bond must be signed in the partnership name by a partner. If the Contractor is a corporation the Contractor's Bond must be signed in the corporate name by a duly authorized officer and the corporate seal affixed and attested by the Secretary of the corporation. A typewritten copy of all such names and signatures shall be appended.*

**Power of Attorney:** *The Contractor's Bond must be accompanied by a power of attorney authorizing execution on behalf of the Surety and, in jurisdictions so requiring should be countersigned by a duly authorized resident agent of the Surety.*

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U.S. Department of Agriculture  
Rural Utilities Service

**SUBCONTRACT**

(Under Construction or Equipment Contracts)

AGREEMENT made this \_\_\_\_\_ day of \_\_\_\_\_, by and  
Between \_\_\_\_\_ a (partnership, individual,  
Corporation), (hereinafter called the "Contractor") and \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_  
(hereinafter called the "Subcontractor").

WHEREAS, the Contractor has entered into a Construction Contract or Equipment Contract (hereinafter  
called the "Contract") dated \_\_\_\_\_, \_\_\_\_\_, with  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ ; and

WHEREAS, the Contractor and the Subcontractor desire that all of the Contractor's obligations with  
regard to certain work under the Contract be performed by the Subcontractor;

NOW, THEREFORE, in consideration of the mutual undertakings herein contained, the parties hereto  
agree as follows:

SECTION 1. The Subcontractor agrees to perform the Contractor's obligations under the Contract which,  
by this reference, is made a part hereof as though set out in its entirety with respect to:

SECTION 2. The Subcontractor agrees that all of the work to be done hereunder shall be carried out as  
directed by the Engineer of the Owner in full accordance with the terms and provisions of the Contract.

*SECTION 3. The Subcontractor shall maintain all insurance required under the Contract and shall hold the Contractor and the Owner harmless from any and all claims for injuries to persons or for damage to property happening by reason of any negligence, default or misconduct on the part of the Subcontractor, his agents or employees during the performance of this Agreement.*

*SECTION 4. The Contractor agrees to pay the Subcontractor for the performance of the work*

*Hereunder the sum of \_\_\_\_\_*

*\_\_\_\_\_, \$ \_\_\_\_\_ Payable as follows:*

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*SECTION 5. The work to be performed hereunder shall be completed to the satisfaction of the Contractor and the Owner within the time specified in the Contract. In the event additions to or alterations in the work to be performed hereunder are made necessary by changes in the Contract, the Subcontractor agrees to perform such additional or alternative work in the same manner and under the same terms and conditions as the Contractor would be required so to perform.*

*SECTION 6. Upon approval of this Agreement by the Owner, the surety company, if any (hereinafter called the "Surety") furnishing the Performance Bond required by the Contract, and the Administrator of the Rural Utilities Service (hereinafter called the "Administrator"), the Subcontractor shall, if required by Contractor, furnish to the Contractor a Performance Bond in form and substance satisfactory to the Contractor.*



*SECTION 7. This agreement shall not become effective until consented to and approved in writing by the Owner, the Surety if any, and the Administrator; provided, however, that consent to and approval hereof by the Owner and the Administrator shall in no way operate to release the Contractor from the Contractor's duties and obligations to the Owner under the Contract or operate to release the Surety if any, from its obligations under the Performance Bond required by and relating to the Contract.*

*IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.*

\_\_\_\_\_  
CONTRACTOR

By \_\_\_\_\_  
TITLE

**CONSENTED TO AND APPROVED:**

SEAL

\_\_\_\_\_  
DATE

**CONSENTED TO AND APPROVED:**

SEAL

\_\_\_\_\_  
DATE

\_\_\_\_\_  
SUBCONTRACTOR

By \_\_\_\_\_  
TITLE

\_\_\_\_\_  
OWNER

By \_\_\_\_\_  
PRESIDENT

\_\_\_\_\_  
SURETY COMPANY<sup>1</sup>

By \_\_\_\_\_

<sup>1</sup> Attach power of attorney in favor of person signing for Surety.

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DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE <b>CONSTRUCTION CHANGE ORDER</b>		DATE
PROJECT	LINE	SHEET NO.
ORDER NO.	POLES NO.	REFER TO ITEM NO.
CHANGE		
REASON FOR CHANGE		
CHANGE AUTHORIZED BY:		
_____	_____	
SYSTEM MANAGER	BORROWER'S ENGINEER	
ITEMIZED COST OF ABOVE ORDER		
		_____
		CONTRACTOR

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RUS FORM 526  
 REV. 8-66  
 U. S. DEPARTMENT OF AGRICULTURE  
 RURAL UTILITIES SERVICE  
 CONSTRUCTION CONTRACT AMENDMENT

---

INSTRUCTIONS – Submit three (3) copies of this form  
 And three (3) copies of all attachments.

To: THE ADMINISTRATOR  
 RURAL UTILITIES SERVICE  
 U. S. DEPT. OF AGRICULTURE , WASHINGTON, D.C. 20250

1. PROJECT DESIGNATION

---

2. AMENDMENT NO.                      3. DATE

---

4. DETAILS OF CHANGES ARE TABULATED ON SHEET 2  
 TO \_\_\_ ATTACHED AND ARE PART OF THIS AMENDMENT.

5. THE FOLLOWING CHANGES IN CONSTRUCTION CONTRACT NUMBER \_\_\_\_\_ DATED \_\_\_\_\_ , \_\_\_\_\_  
 ARE HEREBY MERELY SUBMITTED FOR YOUR APPROVAL.

6. DATA PERTINENT TO THE ORIGINAL CONTRACT, AND AMENDMENTS INCLUDING THIS AMENDMENT ARE AS FOLLOWS (DECREASE TO  
 BE PRECEDED BY (-) MINUS SIGN).

	ROUTE MILES	SUBSCRIBERS		PRICE
		SIGNED	POTENTIAL	
ORIGINAL CONTRACT				\$
AMENDMENT NO. 1				
AMENDMENT NO. 2				
AMENDMENT NO. 3				
AMENDMENT NO. 4				
AMENDMENT NO. 5				
AMENDMENT NO. 6				
TOTAL WITH THIS AMENDMENT				\$

7. FOR ADDITIONAL DATA REFER TO STATEMENT OF CONSTRUCTION, RUS FORM 527 DATED \_\_\_\_\_ , \_\_\_\_\_ , WHICH  
 ARE ATTACH ED HEREBY AND MADE A PART HEREOF.

8. BOND EXTENSION ATTACHED    9. THE CONSTRUCTION PERIOD WILL BE CHANGE TO \_\_\_\_\_ DAYS.  
 YES                       NO

10. NEW COUNTIES ( IF ANY)]

11. DESCRIPTION AND REASON FOR CHANGE:

This amendment, providing for an increase/decrease of \$ \_\_\_\_\_ in the amount of said construction  
 Contract, is submitted pursuant to the provisions thereof and pursuant to the loan contract between the United States of  
 America and the undersigned Borrower. You are hereby authorized to approve this amendment either in whole or in part and  
 To delete such items as do not meet with your approval. To the extent the items hereof are approved by you, the construction  
 Contract shall be amended.

**ACCEPTED**

By \_\_\_\_\_  
 CONTRACTOR

By \_\_\_\_\_  
 BORROWER

By \_\_\_\_\_  
 PRESIDENT – OWNER –PARTNER\*

By \_\_\_\_\_  
 PRESIDENT

**APPROVED**

\_\_\_\_\_  
 DATE

\_\_\_\_\_  
 ENGINEER FOR THE BORROWER

*\*Strike out inapplicable title. If signed by other than above, power of attorney should be attached or on file with RUS.*

RUS FORM 526 REV 8-66 ATTACHMENT	U.S. DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE	PROJECT DESIGNATION	AMENDMENT NUMBER
<b>CONSTRUCTION CONTRACT                  AMENDMENT</b>			

**DETAILS OF CONTRACT AMENDMENT**

ITEM NO.	ASSEMBLY UNIT DESIGNATION	QUANTITY PREVIOUSLY APPROVED	NET CHANGE NUMBER OF UNITS	*CONTRACT AMENDED TO READ			TOTAL PRICE	TOTAL INCREASE PRICE	TOTAL DECREASE PRICE
				NUMBER OF UNITS	UNIT PRICE				
					LABOR	MATERIAL			
**_-- ---	-----	-----	-----	-----	-----	-----			
1									
2									
3									
4									
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16									
17									
18									
19									
20									
							<b>TOTALS</b>	F	
							<b>NET TOTAL</b>		

\* Show quantities and prices as revised by this amendment.

\*\*Carried forward from previous page.

U.S. Department of Agriculture  
Rural Utilities Service

**CERTIFICATE**

\_\_\_\_\_  
*With respect to compliance with the second paragraph of the Rural Electrification Act of 1938, being Title IV of the Work Relief and Public Works Appropriation Act of 1938 (Public Resolution No. 122, 75th Congress, approved June 21, 1938).*  
\_\_\_\_\_

Rural Utilities Service Project \_\_\_\_\_

The undersigned, being, the \_\_\_\_\_<sup>1</sup>,

in a certain contract No. \_\_\_\_\_ dated \_\_\_\_\_, \_\_\_\_\_ between the undersigned

and \_\_\_\_\_<sup>2</sup>,

does hereby certify that in the performance of the said contract there have been used or furnished no unmanufactured articles, materials or supplies which have not been mined or produced in the United States<sup>3</sup> or in any eligible country and no manufactured articles, materials or supplies which have not been manufactured in the United States or in any eligible country substantially all from articles, materials or supplies mined, produced or manufactured, as the case may be, in the United States or in any eligible country, except to the extent that compliance with the second paragraph of the Rural Electrification Act of 1938, being Title IV of the Work Relief and Public Works Appropriation Act of 1938 (Public Resolution No. 122, 75th Congress, approved June 21, 1938) has been waived by the Administrator of the Rural Utilities Service. For purposes of this certificate, an "eligible country" is any country that applies with respect to the United States an agreement ensuring reciprocal access for United States products and services and suppliers to the markets of that country, as determined by the United States Trade Representative.<sup>4</sup>

\_\_\_\_\_  
By \_\_\_\_\_

Date \_\_\_\_\_, \_\_\_\_\_

<sup>1</sup> Insert "Contractor," "Subcontractor," "Seller," Or "Material Supplier," as the case may be.

<sup>2</sup> Insert the name of the RUS Borrower.

<sup>3</sup> United States means United States, its territories and possessions.

<sup>4</sup> A current list of eligible countries may be obtained by contacting RUS.