

Section: **MANAGEMENT SUPPORT**

Policy Title: **Contractor Assurances, Surety Bonds and Insurance**

A contract will only be entered into with a contractor who is licensed or registered as required by the laws of this state. A contractor will be granted a contract when a statement is submitted and sworn to which states that the contractor is in compliance with the state laws relating to prevailing wage for public works and with state and federal laws relating to non-discrimination in hiring. Such a statement may be a provision or clause in the contract.

Contractor Surety Bonds and Insurance

Each contractor's bid must be accompanied by a certified or cashier's check or bid bond in the amount of at least five percent of the total bid amount, excluding taxes. Bid deposits pursuant to this policy may be based upon the architect's estimated cost of construction. Any bid which is not successful shall entitle the bidder to a refund of its security or bond. The successful bidder will have the bond or security retained until such a time as it is determined that the bidder will complete the contract. All bids received will specify whether the district or the contractor shall carry fire, liability, or other insurance during construction.

The successful bidder is required to make, execute and deliver to the board a good and sufficient performance bond with two or more sureties or a surety company which will state that the contractor will execute and faithfully perform the provisions of the contract and will pay all subcontractors and material men as required by law.

Change Orders

The board will approve authorized change orders which arise during construction. In order to facilitate timely progress during construction, the board may grant the superintendent authority to authorize change orders if additional cost to the district does not exceed 15% beyond the amount approved by the board for projects under \$500,000. For projects greater than \$500,000, a 10% allowance will be provided. Projects that extend beyond the original "scope of work" as outlined in bid/contract documents will be Board approved.

Legal References:	RCW 39.08.010	Bond required--Conditions- Retention of contract amount in lieu of bond – Contracts of one hundred thousand dollars or less
	39.06.010	Contracts with unregistered or unlicensed contractors and with other violators prohibited
	Chapter 39.12 RCW	Prevailing Wages on Public Works

Policy 6925 Continued

49.60.180 Unfair practices of employment defined

42 U.S.C. 2000c et. seq. Title VII Civil Rights Act of 1964 (amended by
CRA of 1991)

29 USC 794 *Section 504*, Rehabilitation Act of 1973

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