#### EXAMPLE OF TIME AND MATERIALS CONTRACT FOR DEBRIS REMOVAL

***This is an example; all contracts should be assembled by Jurisdiction’s contracting personnel and reviewed by the legal representative.***

* *Time and Materials (T&M) contracts should not be used after the initial 70 hour period after the event. After such time a scope of work should be developed and competitively bid and awarded.*
* *T&M contracts should also contain a ceiling price or “not to exceed” clause in which the contractor exceeds at his own risk.*
* *Prices must be reasonable as described by OMB Circular A-87*
* *Must contain all contract clauses as set forth in 44 CFR §13.36.*

**ARTICLE 1.**

**AGREEMENT BETWEEN PARTIES**

This contract is made and entered into on this the \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_, by and between the jurisdiction of\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, hereinafter called the ENTITY, and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, hereinafter called the CONTRACTOR.

**ARTICLE 2.**

**SCOPE OF WORK**

This contract is issued pursuant to the Solicitation and Procurement on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ for the removal of debris caused by the sudden natural or human-made disaster of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. It is the intent of this contract to provide equipment and staff to remove all hazards to life and property in the affected communities. Cleanup, demolition, and removal will be limited to 1) that which is determined to be in the interest of public safety and 2) that which is considered essential to the economic recovery of the affected area.

The Work shall consist of the provision of equipment and labor to cleanup and remove debris as directed by the ENTITY.

**ARTICLE 3.**

**SCHEDULE OF WORK**

Time is of the essence for this debris removal contract.

Notice to proceed with the Work: The Work under this contract will commence on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. The equipment shall be used for one hundred (100) hours, unless the ENTITY initiates additions or deletions by written change order. Based upon unit prices of equipment and labor, no minimum or maximum number of hours is guaranteed.

**ARTICLE 4.**

**CONTRACT PRICE**

The hourly rates for performing the work stipulated in the contract documents, which have been transposed from the low bidder’s bid schedule, are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Equipment/Machine/Operator | Mobilization Cost | Hourly Rate | Demob. Cost | Manufacturer, Model |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

Total unit rate shall be given which includes maintenance. fuel, overhead, profit, and any other costs associated with the equipment.

Estimated Cost per unit of material. Only actual invoice amounts will be paid.

Labor Man-hours includes protective clothing, fringe benefits, hand tools, supervision, transportation, and any other costs.

**ARTICLE 5.**

**PAYMENT**

The ENTITY shall pay the CONTRACTOR for mobilization and demobilization if the Notice to Proceed is issued and will pay for only the Time that the equipment and manpower is actually being used in accomplishing the work. The CONTRACTOR shall be paid within thirty (30) days of the receipt of a pay estimate and verification of Work by the inspector.

**ARTICLE 6.**

**CLAIMS**

Not Applicable.

**ARTICLE 7.**

**CONTRACTOR’S OBLIGATIONS**

The CONTRACTOR shall supervise accomplishment of the Work effort directed by labor and proper equipment for all tasks. Safety of the CONTRACTOR’s personnel and equipment is the responsibility of the CONTRACTOR. Additionally, the CONTRACTOR shall pay for all materials, personnel, taxes, and fees necessary to perform under the terms of the contract.

Caution and care must be exercised by the CONTRACTOR not to cause any additional damage to sidewalks, roads, buildings, and other permanent fixtures.

**ARTICLE 8.**

**ENTITY’S OBLIGATIONS**

The ENTITY’s representative(s) shall furnish all information necessary for commencement of the Work and direct the Work effort. Costs of construction permits, disposal sites, and authority approvals will be borne by the ENTITY. A representative will be designated by the ENTITY for inspecting the work and answering onsite questions. This representative shall furnish the CONTRACTOR with daily inspection reports, including Work accomplished and certification of hours worked.

The ENTITY shall designate the public and private property areas where the Work is to be performed. Copies of complete “Right of Entry” forms, where they are required by State or local law for private property, shall be furnished to the CONTRACTOR by the ENTITY. The ENTITY shall hold harmless and indemnify the CONTRACTOR and his employees against any liability for any and all claims, suits, judgments, and awards alleged to have been caused by services rendered under this contract for disaster relief work unless such claims are the result of negligence on the part of the CONTRACTOR.

The ENTITY will terminate the contract for failure to perform or default by the CONTRACTOR.

**ARTICLE 9.**

**INSURANCE AND BONDS**

The CONTRACTOR shall furnish proof of Worker’s Compensation Coverage, Automobile Liability Coverage, and Comprehensive General Liability Insurance (Premises-Operations. Personal Injury, etc.) as deemed necessary by the ENTITY.

Surety: The CONTRACTOR shall deliver to the ENTITY fully executed Performance and Payment Bonds in the amount of 100% of the contract amount, if required by the specifications, general or special conditions of the contract. The ENTITY will reimburse the CONTRACTOR for the costs of the bonds, the costs of which will be included in the base bid.

**ARTICLE 10.**

**CONTRACTOR QUALIFICATIONS**

The CONTRACTOR must be duly licensed in the State per statutory requirements.

THIS CONTRACT IS DULY SIGNED BY ALL PARTIES HERETO:

ENTITY (City, County, Town, Etc.)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Seal CONTRACTOR (Include Address, City, State)

by\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

The Principal of the Firm