

SECTION 01 21 00

ALLOWANCES

PART 1 - GENERAL

1.1 SUMMARY

- A. Section Includes: Allowances and procedures for doing allowance work.

1.2 PROJECT CONDITIONS

- A. Allowances shall be done only when and as directed in writing by the City Representative.
- B. Allowances shall cover the actual direct cost to Contractor of labor, materials and equipment delivered and installed at the site, required taxes and fees, less applicable trade discounts.
- C. Contractor's costs for required on-site and off-site storage and security, loading and unloading, handling at the site, overhead, profit, and other expenses contemplated for stated allowance amounts shall be included in Contractor's Total Bid Price and not in the allowances unless indicated otherwise.
- D. The amount given on Schedule of Bid Prices under each allowance item shall be the amount of funds set aside for each allowance. Said amounts shall be included in Contractor's Total Bid Price on the Schedule of Bid Prices.
- E. Whenever costs are more than or less than allowances, the Contract cost will be adjusted by change order based on the difference between (1) actual costs and the allowances, and (2) changes in Contractor's costs. Contractor shall identify allowance item under which work is done on Contractor's progress schedule and application for payment.
- F. Contractor's mark up for overhead and profit on allowance work shall be limited to 5%.

PART 2 - SCHEDULE OF ALLOWANCES

2.1 Bid Item No. G-1: ALLOWANCE FOR PARTNERING FACILITATION AND RELATED COSTS

- A. An allowance as shown in the Schedule of Bid prices will be used to reimburse the Contractor for the City's share of the costs associated with the partnering process in accordance with Section 01 31 33 - Partnering Procedures and as directed by the City Representative.
- B. The Contractor shall provide a cash allowance in the amount of **\$5,000** for this work.

2.2 Bid Item No. SW-29: ALLOWANCE FOR UNFORSEEN ENVIRONMENTAL CONDITIONS

- A. A preset allowance of **\$50,000** as shown in the Schedule of Bid Prices will be paid as directed by the City Representative. It is possible that some or all of the preset allowance amount may be used.
- B. This allowance is for unforeseen environmental work, that is not covered by the Contract, and as determined by the City Representative only.

- C. The unused portion of the cash allowance shall be credited to the City. Mark up and profit for all tiers of sub-contracted work shall be limited to 5% each, with a maximum of two-tiers and as approved by the City Representative.

2.3 Bid Item No. SW-30: ALLOWANCE TO PERFORM NECESSARY WORK DUE TO UNFORESEEN CONDITIONS RELATED TO SEWER WORK

- A. An allowance as shown in the Schedule of Bid Prices will be paid as directed by the City Representative for performance of work necessary due to unforeseen conditions related to sewer work and drainage work. No mark ups and administrative costs will be included in this allowance. It is possible that some or all of the preset allowance amount may be used.
- B. The Contractor shall provide a cash allowance in the amount of **\$20,000** or this work.

PART 3 – EXECUTION (Not Used)

END OF SECTION