

SECTION 01297
PAYMENT FOR MATERIALS OR EQUIPMENT STORED OFF THE JOBSITE

1.1 THE REQUIREMENT

- A. Partial payment for materials or equipment stored off the Jobsite shall be subject to the following conditions:
 - 1. Payment will not be made for any materials or equipment unless each individual piece of the material or equipment becomes a permanent part of the Work and has a value of more than \$5,000.
 - 2. The materials or equipment is required by the Specifications, and is specifically manufactured for the Project and could not readily be utilized or diverted to another job.
 - 3. No payment will be made for living or perishable plant material, or for degradable materials such as rock, sand, cement, or for reinforcing steel, miscellaneous piping, off the shelf and catalog items, or similar items, until they are incorporated into the Work.
 - 4. Payment for the materials or equipment stored shall not exceed sixty percent (60%) of the invoice cost of the materials or equipment. Percent of the invoice paid shall be at the discretion of the CITY. The amount paid shall not exceed the total amount of the Bid item less an amount estimated for installation.
- B. The CONTRACTOR shall include cost loaded activities for the materials and equipment, for which payment will be requested, in the Schedule of Values. The CONTRACTOR shall provide all documentation necessary to establish the cost of the materials or equipment.
- C. All suppliers, fabricators, or manufacturers who intend to furnish materials or equipment to the CITY must file a notice with the CITY in accordance with the State of California lien laws.
- D. Each supplier, fabricator or manufacturer shall file a list, with the INSPECTOR, indicating the materials or equipment to be furnished to the Project. They shall also provide a notarized declaration from their company indicating the employees authorized to sign an unconditional release for the company. The persons signing the declaration and the unconditional release shall be identified by name and title.
- E. Each request for payment shall include a notarized Unconditional Release, which conforms to the California Civil Code. The release shall be signed by an authorized employee identified in the corporate declaration. The request shall include the suppliers invoice for the materials or equipment.
- F. The CONTRACTOR shall store the materials and equipment as required in STORAGE OF MATERIALS AND EQUIPMENT of these GENERAL REQUIREMENTS, in a bonded warehouse or facility approved by the INSPECTOR. The storage site shall be located within fifty (50) miles of the geographic limits of the CITY. The materials and equipment shall be physically segregated from all other materials or equipment within the facility and shall be

identified as being the "PROPERTY OF THE CITY OF LOS ANGELES". The CONTRACTOR shall exercise all measures necessary to ensure preservation of the quality, quantity, and fitness of such materials or equipment and shall perform the manufacturers recommended maintenance of the materials or equipment. The CONTRACTOR shall inspect the materials and equipment, and submit a monthly written report to the INSPECTOR listing all the equipment stored, results of their inspection, and the maintenance performed.

- G. The CONTRACTOR shall grant the INSPECTOR and the ENGINEER access to the storage facility at any time and assist the INSPECTOR and the ENGINEER in conducting a full view, piece by piece, inventory of all such material or equipment.
- H. The CONTRACTOR shall provide all additional insurance necessary to insure the materials or equipment against loss of damage. The insurance provided shall be provided as stated in INSURANCE of the GENERAL CONDITIONS. The insurance shall cover the material or equipment, while stored at the approved site, while in transit to the Jobsite, while being off-loaded at the site and until the material or equipment is incorporated into the Work and the CONTRACT is accepted by the BOARD.
- I. The CONTRACTOR shall be responsible for any damage to, defects therein, misfabrication thereof, or loss of the materials or equipment.
- J. The CONTRACTOR shall be responsible for any resulting project delays or consequential damages as if the CONTRACTOR were the owner of the material or equipment until it is incorporated in the Work and accepted by the CITY.
- K. The CONTRACTOR shall absorb any and all cost incurred to meet the requirements of this article without modification in the Contract amount.
- L. The CONTRACTOR shall present the storage arrangements in writing and sign a Security Agreement, which shall be submitted to the INSPECTOR for approval by the City Attorney. This agreement shall set forth the terms of ownership, storage and insurance necessary to insure the material or equipment against damage or loss.

(END OF SECTION)