**EXAMPLE OF LUMP SUM CONTRACT  
 FOR DEBRIS REMOVAL**

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

*A lump sum contract establishes a total price using a one item bid from a CONTRACTOR. It should be used only when a scope of work is clearly defined, with areas of work and quantities of material clearly identified. Lump sum contracts can be defined in one of two ways:*

* *Area Method, where the scope of work is based on a one time clearance of a specified area, or*
* *Pass Method, where the scope of work is based on a certain number of passes through a specified area, such as a given distance along a right of way.*
* *Keep in mind; if costs are to be considered for FEMA PA grant funding cost must be reasonable. It is recommended to perform a cost analysis to insure reasonable coat. Also, contract should contain all required contract clauses as set forth by 44 CFR §13.36, and if the project might require funding on FHWA highways the FHWA form 1273, contract clauses must be included.*

**ARTICLE 1.**

**AGREEMENT BETWEEN PARTIES**

This contract is made and entered into on this the \_\_\_\_ day of\_\_\_\_\_\_\_\_\_\_, 20\_\_, by and between the city/county 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 resources 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 cleanup or demolition and removal as outlined in the specifications on drawings and on block sector maps attached to the invitation for bid number \_\_\_\_\_\_\_.

**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 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_. Maximum allowable time for completion will be \_\_\_\_\_ calendar days, unless the ENTITY initiates additions or deletions by written change order. If the CONTRACTOR does not complete the work within the allotted time, liquidated damages will be assessed in the amount of \_\_\_\_\_\_\_\_\_\_\_\_\_ per day.

**ARTICLE 4.**

**CONTRACT PRICE**

The lump sum price for performing the Work stipulated in the contract documents is .

**ARTICLE 5.**

**PAYMENT**

The CONTRACTOR shall submit certified pay requests for completed work. The ENTITY shall have ten (10) calendar days to approve or disapprove the pay request. The ENTITY shall pay the CONTRACTOR for his performance under the contract within twenty (20) days of approval of the pay estimate. On contracts over 30 days in duration, the ENTITY shall pay the CONTRACTOR a pro-rata percentage of the contract amount on a monthly basis, based on the amount of work completed and approved in that month. The ENTITY will remunerate the CONTRACTOR within thirty (30) days of the approved application for payment, after which interest will be added at a rate of \_\_\_\_\_ per annum. Payments shall be subject to a retainer of\_\_\_\_\_\_\_ on each payment. Retainer shall be released upon substantial completion of the work.

Funding for this contract is authorized pursuant to Public Law of the State of Texas and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (local statute or ordinance).

**ARTICLE 6.**

**CHANGE ORDERS**

If the scope of work is changed by the ENTITY, the change in price and contract time will be promptly negotiated by the parties, prior to commencement of work.

**ARTICLE 7.**

**CONTRACTOR’S OBLIGATIONS**

The CONTRACTOR shall supervise and direct the Work, using skillful 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, equipment, personnel, taxes, and fees necessary to perform under the terms of the contract.

Any unusual, concealed, or changed conditions are to be immediately reported to the ENTITY. The CONTRACTOR shall be responsible for the protection of existing utilities, sidewalks, roads, buildings, and other permanent fixtures. Any unnecessary damage will be repaired at the CONTRACTOR’s expense.

**ARTICLE 8.**

**ENTITY’S OBLIGATIONS**

The ENTITY’s representative(s) shall furnish all information, documents, and utility locations necessary for commencement of Work. Costs of construction permits and authority approvals will be borne by the ENTITY. A representative will be designated by the ENTITY for inspecting the work and answering on-site questions.

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