

CONTRACT

THIS AGREEMENT made this 11<sup>th</sup> day of Oct, 2006, by and  
between Randy S. Callahan Construction Company, Inc. ) a  
Corporation organized and existing under the laws of the State of Missouri  
hereinafter called the "Contractor" and the City of Jonesboro, Arkansas hereinafter called the  
"Owner".

W I T N E S S E T H:

That the Contractor and the Owner for the consideration stated herein mutually agree as  
follows:

ARTICLE 1. Statement of Work. The Contractor shall furnish all supervision,  
technical personnel, labor, materials, machinery, tools, equipment, incidentals and services,  
including utility and transportation services and perform and complete all work required for  
Vegetation Removal (Bid Number 2006:56), in strict accordance with the Contract Documents,  
including all Addenda thereto

\_\_\_\_\_ dated \_\_\_\_\_

\_\_\_\_\_ dated \_\_\_\_\_

\_\_\_\_\_ dated \_\_\_\_\_

as prepared by the Engineer.

ARTICLE 2. The Contract Price. The Owner will pay the Contractor, because of his  
performance of the Contract, for the total quantities of work performed at the lump sum and  
unit prices stipulated in the Proposal, subject to additions and deductions as provided in the  
Section entitled "CHANGES IN THE WORK" under the GENERAL CONDITIONS.

ARTICLE 3. Contract Time. The Contractor agrees to begin work within ten (10)  
calendar days after issuance by the Owner of a "Work Order" or "Notice to Proceed" and to  
complete the work within 150 calendar days thereafter (except as modified in the GENERAL  
CONDITIONS of these Contract Documents). If the Contractor shall fail to complete the work  
within the time specified, he and his Surety shall be liable for payment to the Owner, as  
liquidated damages ascertained and agreed, and not in the nature of a penalty, the amount  
specified in the SPECIAL CONDITIONS of these Contract Documents for each day of delay.  
To the extent sufficient in amount, liquidated damages shall be deducted from the payments to  
be made under this Contract.

ARTICLE 4.    Contract.    The executed Contract Documents shall consist of the following:

- |                              |  |
|------------------------------|--|
| a. This Agreement (Contract) | f. General Conditions                                    |
| b. Addenda                   | g. Supplemental General Conditions                       |
| c. Advertisement for Bids    | h. Special Conditions                                    |
| d. Instructions to Bidders   | i. Technical Specifications including Special Provisions |
| e. Proposal                  | j. Drawings (Plans)                                      |
|                              | k. Performance-Payment Bond                              |

This Contract, together with other Documents enumerated in this Article 4, which said other Documents are as fully a part of the Contract as if hereto attached or herein repeated, form the Contract between the parties hereto. In the event that any provisions in any component part of this Contract conflicts with any provision of any other component part, the conflict shall be resolved by the Engineer whose decision shall be final.

ARTICLE 5.    Surety.    The Surety on the Performance-Payment Bond shall be a surety company of financial resources satisfactory to the Owner, authorized to do business in the State of Arkansas, and shall comply with applicable Arkansas laws.

IN WITNESS WHEREOF, the parties hereto have caused this CONTRACT to be executed in four (4) counterparts, each of which shall be considered an original on the day and year first above written.

ATTEST:

RANDY S. CALAHAN CONST. CO INC.  
(Contractor)

By Randy S. Calahan

Title PRESIDENT

P.O. Box 1207  
(Street)

POPLAR BLUFF, MO 63902

| \_\_\_\_\_

(Print the names underneath all signatures).

four contract



Budgeted Amount \_\_\_\_\_

Opened by  
Tabulated by

4

S.A. Kent  
Christy WallBid #  
Date2006-56  
09/13/06

DIVISIONS/DEPARTEMENT			Alvin Crahtree		Smith Construction		Gillis Farms		Callahan Construction		Phillips and Jordan					
Street - Vegetation Removal (rebid)																
Item	Quant	Description	Unit	Amount	Unit	Amount	Unit	Amount	Unit	Amount	Unit	Amount	Unit	Amount	Unit	Amount
1		100 Vegetative Clearing	1 675 00	356 775 00	550 00	117 150 00	798 00	169 974 00	500 00	106 500 00	1 710 00	364 230 00		0 00		0 00
2		Selective Clearing														
3		250 Clearing Trees	700 00	175 000 00	1 000 00	250 000 00	540 00	135 000 00	600 00	150 000 00	240 00	60 000 00		0 00		0 00
TOTAL				531 775 00		367 150 00		304 974 00		256 500 00		424 230 00		0 00		0 00

Vegetation clearing, EX, A

City of Jonesboro  
Invitation to Bid - Not an Order  
P.O. Box 1845  
515 West Washington Ave. (72401)

Purchasing Office  
Bid No 2006:56

Jonesboro, Arkansas 72403  
Date August 30, 2006

Sealed bids, subject to the conditions on the reverse hereof, and as may be attached hereto, will be received at this office until 2:00pm Wed, September 13, 2006 and then publicly opened, for furnishing the supplies, materials and/or services as described below and tabulated for presentation to the City Council on n/a.

F.O.B. See specifications  
Maximum Delivery or completion time after issuance of Purchase Order or work ordered by the City 150 days.

By: **Steve A. Kent**  
Purchasing Agent  
(870)932-0740

Item	Description	Quantity	Unit	Unit Price	Amount
	SCOPE: It is the intent of the City of Jonesboro to hire through contract, a vendor to remove vegetation as per the attached specifications and maps Bidder shall include a copy of any and all workers' comp that the contractor currently provides for it's employees Successful bidder will be required to show proof of liability insurance to the City for the specified job Successful bidder shall be responsible for any damage to city and/or private property without exception All payments on this contract will be made using the City of Jonesboro's pay dates with amounts being determined by the Vender and the City, using field measurements. All Quantities are estimates only. The City of Jonesboro does not guarantee any amounts shown as field measurements will be used on the job site.				
1	Vegetative Clearing ----- Station -----	213	Slat	\$500 -	\$106,500 -
2	Selective Clearing -----		Acre	\$4,000	
3	Clearing Trees -----	250	Each	\$600 -	\$150,000 -
	Estimated time of completion of job ----- <u>150</u> days - not to exceed 150 days Bid number (2006:56) must be annotated on the outside of bidder's envelope. Bid must be signed or bid will be rejected. The City of Jonesboro reserves the right to accept or reject any and all bids received. Fax Number: <u>(573) 686-3553</u> Email Address: <u>callahan@kaycementinc.com</u> Any addendum to this bid will be posted no later than 1 week before bid opening at the purchasing web site: <u>www.purch-bids.org</u> There are 5 pages to this bid (front and back plus map). All pages must be returned as a complete bid excluding the map. All unit prices will be placed on this front page Bidder shall attach a list of all equipment owned and/or obtainable which is projected to use on this job				
	Cash Discounts <u>1</u> % <u>10</u> Days				

256,500.00

Execution of Bid

Date 9/13/06

We, the undersigned, have read all the requirements set forth in this bid proposal including specification, instructions, conditions and pertinent information regarding the articles being bid on, and we agree to furnish articles at the prices stated.

Arkansas Use Tax Register No. MD 19147503 Phone # (573) 686-1888

Bidder Randy S. Callahan Const. Co. Inc. Address P.O. Box 1707

By Randy S. Callahan City Poplar Bluff, MO 63902  
(Person Authorized to Sign Bids) (Title)

Unsigned Bids Will Be Rejected

Bids number **MUST** be annotated on Bidder's envelope.

Bids are subject to rejection unless submitted on this form.

Notice to bidders: See reverse side for instructions and conditions.

City of Jonesboro  
Construction Specifications for  
Vegetative Clearing

**100.01 Description.** This work shall consist of cutting and properly disposing of trees, stumps, hedge, brush, roots, logs, weeds, rubbish, sod refuse dumps, sawdust piles, lumbering slash, and other materials within the limits of the right-of-way or other designated areas.

This work shall also include selective clearing, preserving existing vegetation, and the preservation of objects designated to remain.

**100.02 General.** Areas shall be classified as vegetative clearing when the majority of the trees are less than 8" in diameter measured 12" above the ground.

a) **Vegetative Clearing** – the cutting and removal of all trees, brush, and other objectionable growth, and the removal and disposal of logs, rubbish piles, refuse dumps, sawdust piles, lumbering slash, and other objectionable matter from the surface of the ground in the areas designated by the Engineer.

b) **Selective Clearing** – the trimming of selected trees and shrubs, the removal from the ground and disposal of logs, root pods, brush, refuse dumps, and other undesirable debris, and the cutting, removal, and disposal of all undergrowth, stumps, and standing trees, except those trees and shrubs designated to be preserved.

c) **Preserved Vegetation** – areas containing trees and brush and designated as Preserved Vegetation shall not be disturbed except as described below. This operation normally applies to areas of natural growth occurring in the wide rights of way beyond the top of bank.

d) **Clearing Trees** – the cutting and removal of isolated trees and stumps greater than 8" diameter measured 12" above the ground as designated by the Engineer to be removed.

**100.03 Construction Requirements.** Work required under this section and other applicable NPDES requirements shall be conducted in conjunction with this work.

Those objects designated to remain shall be carefully protected from abuse, marring, or damage during construction operations. Trees shall be felled and removed in such a manner as to avoid injury to other trees or other objects designated to remain. In case of injury to bark, limbs, or roots of vegetation designated to remain, the Contractor shall repair such damage by corrective pruning or other appropriate methods. Trees or other debris falling outside the right-of-way shall be removed and disposed of according to these specifications.

Holes remaining after removal of trees, stumps, etc., shall be backfilled with material approved by the Engineer.

**100.04 Vegetative Clearing.** Sound stumps may be left when they are severed flush with or below the natural ground or the slope line in areas to be rounded at the top of the slopes.

Low hanging, unsound, or unsightly branches shall be removed from trees or shrubs designated to remain. Branches of trees extending over the channel shall be trimmed to give a clear height adequate to allow heavy equipment to pass underneath. Trimming shall be done by skilled workers and according to good tree surgery practices.

Merchantable timber in the clearing areas that has not been removed from the right-of-way before the date that the Contract is awarded shall become the property of the Contractor, unless otherwise provided.

When perishable material is burned, it shall be under the constant care of a competent watcher. Burning shall be accomplished at such times and in such manner that the surrounding vegetation, adjacent property, or anything designated to remain on the right-of-way will not be jeopardized. Upon notice from the Engineer that meteorological conditions render burning undesirable, the Contractor shall cease all burning until notified by the Engineer that meteorological conditions are suitable for a resumption of burning operations.

When specified, burning will not be permitted unless the material to be burned is placed in an incineration pit and an acceptable forced air combustion device is used that will minimize the emission of smoke, fly ash, and other pollutants. This device shall be constructed so that the forced air is directed over the fire by plenums or ducts. The use of open fans or mulch blowers will not be permitted. The Contractor shall comply with all Federal, State, County, and City laws, regulations, or ordinances applicable to the disposal of clearing and grubbing material. Materials and debris that cannot be burned shall be removed from the right-of-way and disposed of at locations off the project, outside the limits of view from any public road, street, park, or other public facility.

The Contractor shall make all necessary arrangements with the property owner for obtaining suitable disposal locations. The costs involved in obtaining disposal sites, hauling, cleanup and stabilization for erosion control will not be paid for separately, but full compensation therefore will be considered included in the contract unit prices bid for other items of the Contract. When requested by the Engineer, the Contractor shall furnish copies of all agreements with property owner.

**100.05 Selective Clearing.** This work shall be performed in such a manner as to leave the designated areas in a park-like condition and susceptible to economical mowing. Disposal of all material shall comply with the methods set out in the Clearing and Grubbing requirements.

Stumps, trees, and shrubs, except those designated to be preserved, shall be severed flush with or below the ground.

**100.06 Preserved Vegetation.** Trees, shrubs, brush, vines, and other natural perennial vegetation shall be protected in the areas designated as Preserved Vegetation.

**100.07 Method of Measurement.**

**a) General.** Quantities as shown in the Proposal shall be considered approximate. Actual quantities shall be determined as work is performed for the various items as described below.

**b) Vegetative Clearing and Selective Clearing.** Vegetative Clearing will be measured by the station as specified in the Proposal. Selective Clearing will be measured by the acre.

11. Acre – measurement will be to the nearest one hundredth of an acre and will be determined by the horizontal measurement of each tract. The boundary of each tract will be a line extending along the outside of the trunks of the outermost trees or stumps.

12. Station – measurement will be by the centerline station rounded upward to the next whole station and shall include all the area within the right-of-way including easements.

**c) Preserved Vegetation.** Preserved vegetation areas designated by the Engineer will not be measured for payment.

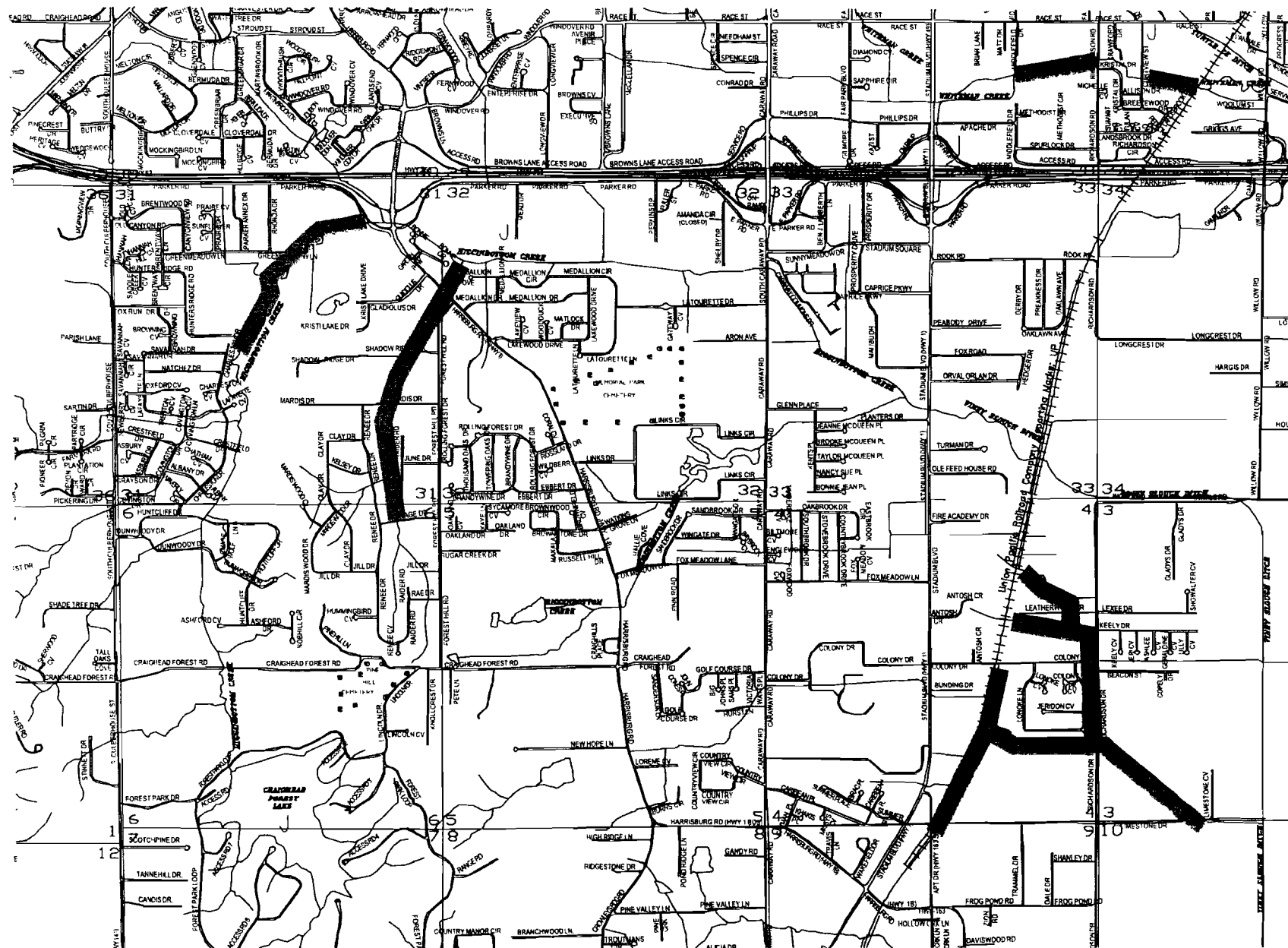
**d) Clearing Trees.** When specified, individual, isolated trees greater than 8" in diameter, measured 12" above the ground, will be measured by each tree.

**100.08 Basis of Payment.** Clearing and Grubbing for disposal sites and staging areas outside the right-of-way limits will not be paid for separately, but full compensation therefore will be considered included in the contract unit prices bid for the items being performed.

Work for vegetative clearing, selective clearing, and clearing trees and measured as specified above, shall be paid for at the contract unit price bid per unit as described below, which price shall be full compensation for furnishing all materials, labor, equipment, tools, and incidentals necessary to complete the work, including the costs of repairing damaged trees that are designated to remain.

Payment will be made under:

Pay Item	Pay Unit
Vegetative Clearing	Acre or Station
Selective Clearing	Acre
Clearing Trees	Each





<b>ACORD CERTIFICATE OF LIABILITY INSURANCE</b>		DATE (MM/DD/YYYY) 08/30/2006
PRODUCER (573)335-2300 FAX (573)335-0117 Capital Insurance & Associates 326 South Broadview P.O. Box 1779 Cape Girardeau, MO 63703		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
INSURED: Handy S Callahan Construction Co Inc P O Box 1207 Poplar Bluff, MO 63902		
INSURERS AFFORDING COVERAGE		NAIC #
INSURER A: BURLINGTON INSURANCE CO		
INSURER B: American States Economy		19690
INSURER C: AIG		
INSURER D:		
INSURER E:		

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED, OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR MOD LTR INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY	BK00113800	07/01/2006	07/01/2007	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (EA OCCURRENCE) \$ 100,000
	CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person) \$ EXCLUDED
					PERSONAL & ADV INJURY \$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:				GENERAL AGGREGATE \$ 2,000,000
	POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOG <input type="checkbox"/>				PRODUCTS - COMP/PROP AGG \$ 2,000,000
B	AUTOMOBILE LIABILITY	02CE10873420	06/20/2006	06/20/2007	COMBINED SINGLE LIMIT (EA accident) \$ 1,000,000
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input checked="" type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident) \$
	<input checked="" type="checkbox"/> MIXED AUTOS				
	<input checked="" type="checkbox"/> NON-OWNED AUTOS				
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN EA ACC \$
					AUTO ONLY AGG \$
	EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE \$
	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE \$
	<input type="checkbox"/> DEDUCTIBLE				\$
	RETENTION \$				\$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	1966388	07/01/2006	07/01/2007	WC STATUTORY LIMITS <input type="checkbox"/> DIS-ER \$
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E1 EACH ACCIDENT \$ 100,000
	<input type="checkbox"/> YES, DESCRIBE UNDER SPECIAL PROVISIONS BELOW				E1 DISEASE - EA EMPLOYEE \$ 100,000
	OTHER				E1 DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

## CERTIFICATE HOLDER

## CANCELLATION

CITY OF JONESBORO JONESBORO, AR	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
	AUTHORIZED REPRESENTATIVE BRENDA MABRY

**IMPORTANT**

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

**DISCLAIMER**

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.