
USACE / NAVFAC / AFCEA / NASA UFGS-00 73 02 (August 2008)

Preparing Activity: NAVFAC Superseding
UFGS-00 73 02 (April 2006)

UNIFIED FACILITIES GUIDE SPECIFICATIONS

SECTION TABLE OF CONTENTS

DIVISION 00 - PROCUREMENT AND CONTRACTING REQUIREMENTS

SECTION 00 73 02

SUPPLEMENTARY CONDITIONS FOR ICELAND PROJECTS

08/08

PART 1 GENERAL

- 1.1 NO CURRENCY ADJUSTMENTS TO CONTRACT PRICE (Nov 2002)
- 1.2 PRICE ESCALATION
- 1.3 USE OF FOREIGN CURRENCY
- 1.4 ICELANDIC TAXES
- 1.5 PRICE VARIATION (AUG 1996)
- 1.6 ICELANDIC TAX RELIEF (MAY 1996)
- 1.7 COMPLIANCE WITH APPLICABLE LAWS
- 1.8 AUTOMOBILE INSURANCE IN ICELAND
- 1.9 RETURN OF CONTRACTOR PERSONNEL
- 1.10 CONDUCT OF CONTRACTOR PERSONNEL
- 1.11 LABOR STATISTICS
- 1.12 SALE OF JOB-PRODUCED MATERIALS
- 1.13 SALE OF CONTRACTOR INVENTORY
- 1.14 DAMAGE TO WORK DUE TO FLOOD OR EARTHQUAKE

PART 2 PRODUCTS

PART 3 EXECUTION

-- End of Section Table of Contents --

USACE / NAVFAC / AFCEA / NASA UFGS-00 73 02 (August 2008)

Preparing Activity: NAVFAC Superseding
UFGS-00 73 02 (April 2006)

UNIFIED FACILITIES GUIDE SPECIFICATIONS

SECTION 00 73 02

SUPPLEMENTARY CONDITIONS FOR ICELAND PROJECTS
08/08

NOTE: This guide specification covers the requirements for special requirements for projects located in Iceland.

Adhere to UFC 1-300-02 Unified Facilities Guide Specifications (UFGS) Format Standard when editing this guide specification or preparing new project specification sections. Edit this guide specification for project specific requirements by adding, deleting, or revising text. For bracketed items, choose applicable items(s) or insert appropriate information.

Remove information and requirements not required in respective project, whether or not brackets are present.

Comments, suggestions and recommended changes for this guide specification are welcome and should be submitted as a Criteria Change Request (CCR).

PART 1 GENERAL

1.1 NO CURRENCY ADJUSTMENTS TO CONTRACT PRICE (Nov 2002)

This will be a firm fixed price contract awarded under competitive procedures. There will be no adjustments to the contract price other than necessary changes to the work itself. Therefore, the contractor is encouraged to consider the length of time to perform the contract and the estimated amount of locally bought materials expected to be used. This, in conjunction with historical exchange rate data obtainable, for example, from the Central Bank of Iceland, should be utilized when constructing a bid to compensate for any perceived future currency fluctuations during the term of the contract.

1.2 PRICE ESCALATION

- a. The Contractor warrants that the price set forth in the contract does not include allowance for contingency to cover increased costs of performance resulting from increase in Contractor's rates of pay set forth in the "Wage Rate Schedule" included in the contract

specifications. The Contractor shall submit to the Contracting Officer within 30 days after receipt of a notice to proceed a schedule of proposed labor distribution for the project, listing trade categories, type, and wage category level. The submission of the labor distribution schedule is mandatory to effect equitable adjustments if wage increases occur during the completion time specified for the project.

- b. If at any time during the time set forth for completion of the work in the contract documents there is an increase or decrease in the rates of pay as set forth in the "Wage Rate Schedule," the Contractor shall notify the Contracting Officer of the changes within 60 days of such increase or decrease or within such further period as may be approved in writing by the Contracting Officer; but in any event no later than final payment under the contract. Such notice shall include the Contractor's proposal for an equitable adjustment in the contract price to be negotiated in accordance with subparagraph c below and shall be accompanied by data, in such form as the Contracting Officer may require explaining (1) the causes, (2) the effective date, and (3) the amount, both of the increase or decrease and of the Contractor's proposal for an equitable adjustment.
- c. Promptly upon receipt of notice and data described in subparagraph b above, the Contractor and the Contracting Officer will negotiate an equitable adjustment, and the effective date thereof, in the contract price to effect any change in the cost of performance of the contract due to the increase or decrease in rates of pay as set forth in the "Wage Rate Schedule"; provided however, that such negotiations may be postponed by the Contracting Officer until an accumulation of such increases and decreases results in an adjustment allowable under subparagraph d. The equitable adjustment, and the effective date thereof, will be set forth in a modification to the contract. Such modification will also revise the rates of pay as set forth in the "Wage Rate Schedule" to reflect the increase or decrease therein. Failure of the parties to agree to an adjustment under this clause shall be deemed to be a dispute concerning a question of fact within the meaning of the General Conditions Clause entitled "Disputes." Pending agreement on, or determination of, any such adjustment and its effective date, the Contractor shall continue performance.
- d. Notwithstanding other provisions of this clause, price adjustments under this clause shall be subject to the following limitations:

There shall be no adjustment other than for increases or decreases in the rates of pay as set forth in the "Wage Rate Schedule."

- e. The final invoice submitted under this contract shall include a certification that the Contractor has not experienced a decrease in rates of pay for labor set forth in the "Wage Rate Schedule" or that the Contractor has given notice of such decreases in compliance with subparagraph b above.
- f. The equitable adjustment, and the effective date thereof, will be set forth in a modification to the contract. Such modification will also revise the rates of pay for labor set forth in the "Wage Rate Schedule" to reflect the increases. Failure of the parties to agree to an adjustment under this clause shall be deemed to be a dispute concerning a question of fact within the meaning of the General Conditions Clause entitled "Disputes." Pending agreement on, or determination of, any

such adjustment and its effective date, the Contractor shall continue performance.

- g. The Contracting Officer may examine the Contractor's books and other supporting data relevant to the cost of labor during reasonable times until 3 years after final payment under the contract.

1.3 USE OF FOREIGN CURRENCY

If tender of payment is made in the currency of the country where the work is performed or in the currency of another foreign country where materials are purchased, the Contractor agrees to accept such currency in payment for work and services rendered under the contract, pursuant to the General Conditions Clause entitled "Payments Under Fixed-Price Construction Contracts." The agreement is dependent upon the limitation that the amount tendered shall not exceed the Contractor's requirements for purchasing foreign currencies; that to the extent available, the Contractor shall accept from the Contracting Officer foreign currencies to meet the requirements when and as needed; and that the exchange rates at which such foreign currencies are offered do not result in added cost to the Contractor. If disagreement arises hereunder, the Contractor shall comply with the decision of the Contracting Officer.

1.4 ICELANDIC TAXES

- a. The present agreement under which work is being accomplished at the job site grants Contractors and subcontractors freedom from custom and import duties, Icelandic taxes, both personal and corporate, and franchise and excise taxes. Should future agreements or interpretations of the present agreement include taxes on account of performance of the contract or subcontracts thereunder, an adjustment will be made in the contract price to reflect the amount of such taxes paid by the Contractor and the amount of payments made by the Contractor as reimbursement to the Contractor's subcontractors for their payments of such taxes. The contract shall be modified in writing accordingly. The Contractor agrees that immediately upon notification by the Icelandic Government that the Contractor or any of the Contractor's subcontractors in connection with the performance of the contract or of the subcontracts thereunder is liable for such taxes, the Contractor shall forthwith notify the Contracting Officer. If the Contractor is required to and does pay any such taxes, the payment shall be made only with the prior written approval of the Contracting Officer, and if so directed by the Contracting Officer, the payment shall be under protest and accompanied by a request for refund of the payment. Regardless of whether so directed by the Contracting Officer, the Contractor shall take steps necessary to procure refunds, where grounds for refunds exist, of such taxes paid by the Contractor or by the Contractor's subcontractors to the Icelandic Government. If the Contractor or any of the Contractor's subcontractors receives a refund or credit of such taxes from the Icelandic Government, which sums have been the basis of a price adjustment under this clause, the Contractor shall forthwith pay such refund or credit to the Government. If requested by the Contracting Officer, the Contractor shall assign to the Government all rights to refund of such taxes paid under protest. It is understood and agreed that the provisions of this clause shall not be applicable to any harbor dues which the Contractor may be required to pay on any cargo brought into or sent out of Iceland. Notwithstanding anything in this paragraph to the contrary, no adjustment of the contract price will be made under this clause because