

Contract No. 0607-158
**Offenhauser / Huffaker Polybutylene Water Service Line
Replacements**
PWP #WA-2007-207

THIS CONTRACT FOR CONSTRUCTION, made and entered into this 10th day of April, 2007, by and between **Petersen Construction, Inc., 4865 Joule Street, C5, Reno, NV 89502** hereinafter referred to as "Contractor", and Truckee Meadows Water Authority, P.O. Box 30013, Reno Nevada 89520-3013 hereinafter referred to as "Owner".

WITNESSETH:

That for and in consideration of the promises and agreements hereinafter made and exchanged, the Owner and the Contractor agree as follows:

1. **Scope of Work.** The Contractor will furnish all labor, materials, equipment, tools, transportation, services, appliances, and appurtenances for the construction of the **Offenhauser / Huffaker Polybutylene Water Service Line Replacements** Project in accordance with the Contract Provisions, Plans, and Specifications therefore, adopted by the Owner as prepared by Owner and all work incidental or reasonably inferable which is necessary to produce the results intended by the Contract Documents (the "Work"). The contractor represents and agrees that it has carefully examined and understands this Agreement and the other Contract Documents, has investigated the nature, locality and site of the Work and the conditions and difficulties under which it is to be performed, and that it enters into this Agreement on the basis of its own examination, investigation and evaluation of all such matters and not in reliance upon any opinions or representations of the Owner, or any of their respective officers, agents, servants, or employees.
2. **Contract Sum.** Owner shall pay the Contractor, as full and complete compensation for Contractor's timely performance of all the Work in accordance with the Contract Documents and to the satisfaction of Owner, the lump sum amount of **Two Hundred and Fifty Thousand, Five Hundred Dollars (\$250,500.00)**. The amount set forth above includes the aggregate amount of all allowances and unit price items to be furnished or installed.
3. **Progress Payments.** The Owner will pay the Contractor progress payments and the final payment in accordance with the provisions set forth in the Specifications computed from the actual quantities of work performed and accepted, and the materials furnished, at the unit and lump sum prices shown in the Proposal, as bid in conformance with the Contract Documents defined hereinafter. Owner will retain from such estimated value of the work done the amounts specified in the General Conditions. Owner shall pay to Contractor, at the end of each quarter this Agreement is in effect, interest for the quarter on the amount withheld at a rate to be determined by Owner in accordance with NRS 338.515. Except with respect to any payment withheld pursuant to NRS 338.525, the amount of payments withheld as provided herein shall be retained for a period of 30 days from the date of filing the Notice of Completion. Contractor shall pay the subcontractors progress payments and pay interest on amounts retained from said progress payments in accordance with the provisions of NRS 338.510 through NRS 338.535.
4. **Time of Completion.** Contractor shall promptly commence and diligently prosecute the Work to be performed under this Agreement and achieve 100 percent completion by **June 15, 2007** to the entire satisfaction of the Owner before final payment is made. All times stated in the Contract Documents, including interim milestones and those for the delivery and installation of materials and equipment, are of the essence of this Agreement
5. **Liquidated Damages.** Owner and Contractor recognize Owner will suffer extensive damages if the Work is not completed within the time specified above, the exact amount of which is difficult to ascertain.. Accordingly, if Contractor fails to achieve 100 percent completion of the Work within the time specified above, Owner shall be entitled to retain or recover from Contractor, as liquidated damages for delay (but not as a penalty) the sum of **\$500** per day commencing on the expiration of the time specified above and continuing until the actual date of 100 percent completion. Owner may deduct liquidated damages from any unpaid amounts then or thereafter due the Contractor under this Agreement