



**Contract**  
**Incorporated County of Los Alamos**  
**Los Alamos, New Mexico**

THIS CONTRACT, made and entered into by and between the Incorporated County of Los Alamos, New Mexico, hereinafter called the County and **Allied 360, a New Mexico Limited Liability Corporation**, hereinafter called the CONTRACTOR, is executed on the date set forth opposite the signature of the authorized representatives of the parties.

WHEREAS, the Contractor was awarded the Contract for the Incorporated County of Los Alamos: Bid Number: **IFB 19-12, Pajarito Well #5 MCC Replacement**, and said award was approved by the County Council on October 30, 2018, which date shall be deemed to be the date of this Contract.

**THE PARTIES AGREE:**

**ARTICLE 1 – SUBJECT MATTER** – The Contractor shall perform the Work, and shall furnish all the materials, equipment, tools, labor and all supplies, appliances, and appurtenances necessary to the full completion of the Work on the Project, and in accordance with the language of the Contract and the Solicitation documents. The term “Contract” means the Solicitation. The Work shall be performed in accordance with the Contract, which shall be interpreted to give full effect to all of the terms and conditions herein. In the event of a conflict in the terms and provisions of the Contract, the terms and provisions of the Contract shall control in the following order:

- A. Change Orders
- B. Addenda
- C. Contract
- D. Notice to Contractors
- E. Special Conditions
- F. General Conditions
- G. Technical Specifications
- H. Contract Drawings

**ARTICLE 2 – CONTRACT TIME**

- A. Construction shall start on or after the date specified on the Notice to Proceed. The Work shall be substantially completed by **March 1, 2019**. The Project shall be completed by

**March 15, 2019.** The calendar day period between the substantial completion and final completion dates is for the sole purpose of completing all punch list items.

- B. The Contractor will proceed with the Work at such rate of progress to ensure full completion of the Work by the Final Completion date. It is expressly understood and agreed, by and between the Contractor and the County, that the Contract Time for the completion of Work described herein is a reasonable time, and that in submitting a bid on the Project and executing the Contract, the Contractor has taken into consideration the average climatic and economic conditions and other factors prevailing in the locality where the Work is to be performed.
- C. Termination of the Contract-
  - 1. This contract shall terminate upon County's issuance of Notice of Final Completion, provided however, that Contractor's warranty obligations and any warranties listed within the Technical Specifications for materials, equipment, systems and/or labor supplied through the Contractor for the execution of the Work shall survive the termination of this Contract until such time as County determines that Contractor's warranty obligations have been fulfilled and County has specifically released Contractor, in writing or by the individual warranty expirations, from such obligations. The issuance of Notice of Final Completion or the release of surviving Contractor obligations shall not be deemed a waiver of any claim the County may have against Contractor arising from Contractor's performance under this Contract.
  - 2. County may terminate this Agreement with or without cause upon ten (10) days prior written notice to Contractor. Upon such termination, Contractor shall be paid for work actually completed to the satisfaction of County at the rates agreed upon by the parties hereto. Contractor shall render a final report of the work done to the date of termination and shall turn over to County originals of all materials, documents or other deliverables prepared pursuant to this Contract.
  - 3. Funding. This Agreement shall terminate without further action by County on the first day of any County fiscal year for which funds to pay compensation hereunder are not appropriated by the County Council. County shall make reasonable efforts to give Contractor at least ninety (90) days advance notice that funds have not been and are not expected to be appropriated for that purpose.

### **ARTICLE 3 – LIQUIDATED DAMAGES FOR DELAY**

- A. Should the Contractor fail to complete the work within the time agreed upon in the Contract, Contractor will be assessed \$1,000.00 per day for each calendar day beyond the Milestone. Substantial, and/or Final Completion dates, including all executed change orders. In view of the difficulty of estimating the damage, this amount is fixed by parties as the liquidated damages that the County will suffer by reason of such default and not by way of penalty.

**B. Delays –**

1. If the Contractor is delayed at any time in the progress of the Work by any act or neglect by the County, or by changes in the Work, or by labor disputes, fire, unusual delay in transportation, unusual weather, adverse soil conditions other than was described in a geotechnical survey, unavoidable loss by the Contractor, delays specifically authorized by the County, or by unforeseeable or unavoidable causes beyond the Contractor's control, avoidance, or mitigation, and without the fault or negligence of the Contractor or subcontractor or supplier at any tier, then the Contract Time may be extended by Change Order for such reasonable time as the overall completion of the Work, as the County may in its sole discretion determine that such event has delayed the Critical Path and Completion of the Work, if the Contractor complies with the notice and documentation requirements set forth below.
2. Contractor shall provide a written notice of delay which may result in a request for an extension of time to the County, within 10 calendar days from the date the Contractor knew or should have known of the facts giving rise to the delay. The notice shall indicate the cause of the delay, the anticipated length of the delay, and the probable effect of such delay upon the progress of the Work. If the cause of the delay is continuing, the Contractor must give written notice every month at the same time it submits the updated schedule and/or progress report to the County with the Payment Application.
3. Within fifteen (15) calendar days after the elimination of any such delay, the Contractor shall submit a formal Change Order request for an extension of time for such delay. The written request for time extension shall state the cause of the delay, the number of days extension requested, and such analysis and documentation of the schedule of the project and other documentation to demonstrate a delay in the critical path of the Work.
4. If the Contractor does not comply with the notice and documentation requirements set forth above, the Contractor shall have waived its right to a claim for delay.

**ARTICLE 4 – COMPENSATION** – In consideration of the satisfactory performance of the Work by the Contractor and the acceptance of such Work by the County, Contractor shall be paid an amount not to exceed the Contract Price of **THREE HUNDRED THIRTY SEVEN THOUSAND, EIGHT HUNDRED NINETY SEVEN DOLLARS (\$337,897.00)**, plus any executed Change Order(s), plus applicable New Mexico Gross Receipts Tax ("NMGR"),

**ARTICLE 5 – PROGRESS PAYMENTS**

- A. Contractor shall submit (but not more often than once a month), to the County for review an Application and Certification for Payment as shown herein, filled out and accompanied by such supporting documentation as is required by the Agreement and also as the County may reasonably require. The County has seven (7) calendar days to review the Application for Progress Payment either to accept or reject. If application is rejected, Contractors shall resubmit a new Application for Progress Payment. Upon any re-submittal of Application for Progress Payment, the twenty-one (21) calendar day time frame is reinstated. These applications for payments shall be based on the performance of the Work in accordance

with the Contract Documents. Contractor shall submit Earned Value Curve if required by the Project Manager with each Application for Payment,

- B. Contractor warrants and guarantees that title to all work, material and equipment covered by an Application for Progress Payment, whether incorporated in the Project or not, will pass to County at the time of payment free and clear of all liens, claims, security interests and encumbrances.
- C. Prior to Substantial Completion, the County with the concurrence of the Contractor may use any completed or substantially completed portions of the Work. Such use shall not constitute an acceptance of such portions of the Work.
- D. As provided herein, County may refuse to make payment of the full amount requested by the Contractor. County will provide Contractor with written notice (with copy to Engineer) stating the reasons for such action.
- E. If payment is requested and approved by the Project Manager on the basis of materials and equipment not incorporated in the Work, but delivered and suitably stored at the site or at another location agreed to in writing, the Application for Progress Payment shall also be accompanied by such data, (receipts, invoices, packing lists, delivery tickets, etc.) satisfactory to Owner and will establish Owner's title to the material and equipment and project. Contractor is responsible for all loss or damage to stored materials.
- F. Contractor warrants and guarantees that title to all Work, materials and equipment covered by any Application for Payment, whether incorporated in the Project or not, will pass to County no later than time of payment, free and clear of all liens.
- G. In the event that agreement between the County or County's designee and Contractor cannot be reached, the County will pay the portion not in question and attempt to reach agreement on those portions not in agreement in the next billing cycle.
- H. Payment may be made by mutually agreed upon method.
- I. County has full power to withhold payment and release of Contractor's Performance as well as Labor and Materials Bonds until all the work is completed to the County's satisfaction, until the Contractor shall satisfy the County that it has fully settled or paid for all labor performed and materials, supplies, equipment rentals and services used from the respective suppliers and subcontractors involved, and to withhold payment equal to liquidated damages as accepted payment for liquidated damages.
- J. County at its sole discretion may require an Affidavit of Payment and Release of Liens with every Application.
- K. Unless otherwise specified in the Solicitation Documents as a Notice of Extended Payment, permitting the Owner to make payment within a period not to exceed 45 days, payments shall be made within twenty one (21) calendar days from receipt of an undisputed request in accordance with the New Mexico Prompt Payment Act, Sections 57-28-1 et seq. NMSA 1978.
- L. Final Application for Payment
  - L.1. The final Application for Progress Payment shall include a notarized Affidavit of Payment and Release of Liens.
  - L.2. After Contractor has completed all such corrections to the satisfaction of the County and delivered in accordance with the Contract Documents all maintenance and operating instructions, all materials including but not limited to spare parts,

lubricants, etc., as required by Contract documents, schedules, guarantees, bonds, certificates or other evidence of insurance, certificates of inspection, Notice of Termination for NPDES, marked up record documents showing work as constructed (as-builts), video tapes, Contractor may make application for final payment following the procedure for progress payments. The final Application for Payment shall be accompanied (except as previously delivered) by all documentation called for in the Contract Documents, including but not limited to the evidence of insurance required, consent of surety, if any, to final payment, and complete and legally effective releases or waivers (satisfactory to County) of all liens arising out of or filed in connection with the Work. If any subcontractor or supplier fails to furnish such release or receipt in full, Contractor may furnish a bond or other collateral satisfactory to Owner to indemnify Owner against any lien.

M. Final Payment and Acceptance

M.1. On the basis of the Engineer's and Owner's observation of the Work during construction and final inspection and Engineer's review of the final Application for Payment and accompanying documentation as required by the Contract Documents, Engineer recommends to Owner that the Work has been completed and Contractor's other obligations under the Contract Documents have been fulfilled, Owner shall process final payment. Otherwise, County will return the Application to Contractor, indicating in writing the reasons for refusing to recommend final payment, in which case Contractor shall make the necessary corrections and resubmit the Application.

N. The final payment by the County signifies that the Work has been accepted by the County under the conditions of the Contract Documents.

N.1. The acceptance by the Contractor of final payment shall be and shall operate as a release to the County of all claims and all liability to the Contractor other than claims in stated amounts as may be specifically expected by the Contractor for all things done or furnished in connection with this Work and for every act and neglect of the County and others relating to or arising out of this Work. Any payment, however, final or otherwise, shall not release the Contractor or the Contractor's sureties from any obligations under the Solicitation documents or the Performance Bond and Labor and Materials Bond.

O. The making and acceptance of Final Payment shall constitute a waiver of all claims by the Contractor against the County other than those previously made in writing and still unsettled.

**ARTICLE 6 – PAYMENT TO MECHANICS AND LABORERS** – Contractor agrees to make prompt payment to its subcontractors and suppliers for work performed under the Contract within seven (7) days after receipt of payment from the County and to pay all mechanics and laborers in accordance with Section 57-28-5 NMSA 1978, as applicable. Contractor shall obtain from each supplier of services or materials used in the performance of the Contractor's obligations under this Contract a written release and waiver of all liens against the County and Project. Such releases and waivers of lien shall be submitted to the County with the final Application for Payment and may be required with each Application for Payment at the County's sole discretion.

Additionally, all Sub-contractors shall require that their Sub-contractors and suppliers make prompt payment to their Sub-contractors and suppliers for amounts owed for work performed on the construction project within seven days after receipt of payment from the owner, contractor or Sub-contractors

If the contractor or Sub-contractors fails to pay the contractor's or Sub-contractor's subcontractor and suppliers by first-class mail or hand delivery within seven days of receipt of payment, the contractor or subcontractor shall pay interest to the subcontractors and suppliers beginning on the eighth day after payment was due, computed at one and one-half percent of the disputed amount per month or fraction of a month until payment is issued. These payment provisions apply to all tiers of contractors, subcontractors and suppliers.

**ARTICLE 7 – MODIFICATION OF CONTRACT** – This Contract may be modified only by mutual written consent of the parties.

**ARTICLE 8 – INDEMNITY** – Contractor shall indemnify, hold harmless and defend County, its Council members, employees, agents and representatives, from and against all liabilities, damages, claims, demands, actions (legal or equitable), and costs and expenses, (including without limitation fees for attorneys and other professionals, of any kind or nature), arising from Contractor's performance or failure to perform hereunder or breach hereof or the performance or failure to perform of Contractor's employees, agents, representatives and subcontractors.

All representations, indemnifications, warranties, and guarantees made in, required by or given in accordance with the Contract, as well as all continuing obligations indicated in the Contract, will survive final payment to the extent permitted by New Mexico or other applicable law, completion and acceptance of the Work and termination or completion of the Agreement.

**ARTICLE 9 – NON ASSIGNMENT** – Contractor may not assign this Agreement or any privileges or obligations herein without the prior written consent of the County.

**ARTICLE 10 – LAWS, REGULATIONS, JURISDICTION AND VENUE** – Contractor shall abide by all applicable federal, state and local laws, regulations, and policies and shall perform the Work in accordance with all applicable laws, regulations, and policies during the term of the Contract. In any lawsuit or legal dispute arising from the operation of this Contract Contractor agrees that the laws of the State of New Mexico shall govern. Venue shall be in the First Judicial District court of New Mexico in Los Alamos County, New Mexico.

**IN WITNESS** whereof the parties have executed this Contract.

**CONTRACTOR:**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**INCORPORATED COUNTY OF LOS ALAMOS:**

Date: \_\_\_\_\_

By: \_\_\_\_\_

Timothy A. Glasco, Utilities Manager

**ATTEST:**

By: \_\_\_\_\_

Naomi Maestas, County Clerk