AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

Agenda Item: AIP 54 SRE Acquisition Contract Documents

Action Requested: County Manager Signature

Parties to the Agreement: Gunnison County and O.J. Watson Equipment, Inc.

Term Begins: **Term Ends:** **Grant Contract #:** 3-08-0030-054-2018

Summary:

Contract documents to be signed for AIP 54 SRE Acquisition of a Blower. Included is the Contract Agreement, Performance Bond, and Payment Bond. Execution of these documents begins the 300 day count for manufacturing.

Fiscal Impact: Included in budget

Submitted by: Stephanie Williams **Submitter's Email Address:** swilliams@gunnisoncounty.org

Finance Review: (●) Required ( ) Not Required

Comments:
No concerns, costs are included in both 2018 projections and 2019 proposed budget as this project spans two years. ln

Reviewed by: GUNCOUNTY1\lNienhueser Discharge Date: 10/9/2018

County Attorney Review: (●) Required ( ) Not Required

Comments:
ok db 10/10/18 Note: All three documents need execution.

Reveiwed by: GUNCOUNTY1\dBaumgarten Discharge Date: 10/10/2018 Certificate of Insurance Required Yes ( ) No (●)

County Manager Review:

Comments:

Reveiwed by: GUNCOUNTY1\mbirnie Discharge Date: 10/10/2018

(●) Consent Agenda ( ) Regular Agenda ( ) Worksession Time Allotted: 0

Agenda Date: 10/16/2018

Revised April 2015

CONTRACT AGREEMENT

Gunnison - Crested Butte Regional Airport
Gunnison, Colorado
AIP PROJECT NO. 3-08-0030-054-2018

THIS AGREEMENT, made and entered into this _____ day of _____, 2018, by and between Gunnison County, Party of the First Part, hereinafter referred to as the "Owner", and **O.J. Watson Equipment, Inc.**, Party of the Second Part, hereinafter referred to as the "Contractor," for the construction of airport improvement including Schedule I - Acquire Rotary Plow with All-Wheel Steering and 4x4 Chassis at the Gunnison - Crested Butte Regional Airport.

WITNESSETH:

ARTICLE 1. It is hereby mutually agreed that for and in consideration of the payments as provided for herein to the Contractor by the Owner, the said Contractor shall furnish all labor, equipment, and material and shall perform all work necessary to complete the improvements in a good and substantial manner, ready for use, and in strict accordance with this Contract, a copy of which is filed pursuant to law in the office of the legal representative of the Owner.

ARTICLE 2. It is hereby further agreed that in consideration of the faithful performance of the work by the Contractor, the Owner shall pay the Contractor the compensation due him/her by reason of said faithful performance of the work, at stated intervals and in the amount certified by the Engineer, in accordance with the provisions of this Contract.

ARTICLE 3. It is hereby further agreed that, at the completion of the work and its acceptance by the Owner, all sums due the Contractor by reason of his faithful performance of the work, taking into consideration additions to or deductions from the Contract price by reason of alterations or modifications of the original Contract or by reason of "Extra Work" authorized under this Contract, will be paid the Contractor by the Owner after said completion and acceptance.

ARTICLE 4. It is hereby further agreed that any references herein to the "Contract" shall include "Contract Documents" as the same as defined in Paragraph 10-13, Section 10 of the General Provisions and consisting of the Invitation for Bid, Instruction to Bidders, all issued Addenda, Proposal, Statement of Qualifications, Anticipated Sub-Contracts, Form of Proposal Guaranty, Notice of Award, Contract Agreement, Performance & Payment bonds, Notice to Proceed, Notice of Contractor's Settlement, General Provisions, Special Provisions, Technical Specifications, attached appendices and all documents incorporated by reference. Said "Contract Documents" are made a part of the Contract as if set out at length herein. Said Contract Agreement is limited to the items in the proposal as signed by the "Contractor" and included in the "Contract Documents."

ARTICLE 5. The Contractor agrees to perform all the work describe in the Contract Documents for the unit prices and lump sums as submitted in the Bid, taking into consideration additions to or deductions from the Total Bid by reason of alterations or modifications of the original quantities or by reason of "Extra Work" authorized under this Agreement in accordance with the provisions of the Contract Documents.

ARTICLE 6. The Contractor agrees to commence work within ten (10) calendar days after the receipt of a notice to proceed and the Contractor further agrees to complete said work within 300 calendar day(s). Extensions of the Contract time may only be permitted execution of a formal modification to Contract Agreement as approved by the Owner. Liquidated damages in the amount of $500/calendar day(s) shall be paid to the Airport for that time which exceeds the number of Calendar days allowed in this paragraph.

The total estimated cost for AIP project #3-08-0030-054-2018 thereof to be Six Hundred Forty-Four Thousand Nine Hundred Dollars and No Cents ($644,900.00).

IN WITNESS WHEREOF, the Party of the First Part and the Party of the Second Part, respectively, have caused this Agreement to be duly executed in day and year first herein written in five (5) copies, all of which to all intents and purposed shall be considered as the original.

CONTRACTOR, Party of the Second Part

OSWASH Equipment Inc

By: _____

President

(Office or Position of Signer)

(SEAL)

ATTEST: _____

Sales

(Office or Position of Signer)

OWNER, Party of the First Part

_____

By: _____

_____

(Office or Position of Signer)

(SEAL)

ATTEST: _____

_____

(Office or Position of Signer)

Bond Number: COC64818

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, That O. J. Watson Equipment, Inc. as Principal, hereinafter called Contractor, and Merchants Bonding Company (Mutual) as Surety, licensed to do business as such in the State of Colorado, hereby bind themselves and their respective heirs, executors, administrators, successors, and assigns, unto Gunnison County, Gunnison, Colorado, as Obligee, hereinafter called Owner, in the penal sum of **Six Hundred Forty-Four Thousand Nine Hundred Dollars and No Cents ($644,900.00)** for the payment whereof Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, by these presents.

WHEREAS,

Contractor has by written agreement, entered into a contract with Gunnison County for Schedule I - Acquire Rotary Plow with All-Wheel Steering and 4x4 Chassis, which contract, including any present or future amendment thereto, is incorporated herein by reference and is hereinafter referred to as the Contract.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if the Contractor shall promptly and faithfully perform said Contract including all duly authorized changes thereto, according to all the terms thereof, including those under which Contractor agrees to pay legally required wage rates including the prevailing hourly rate of wages in the locality, as determined by the Department of Labor and Industrial Relations or by final judicial determination, for each craft or type of workman required to execute the contract, and, further, shall defend, indemnify and hold the Owner harmless from all damages, loss and expense occasioned by any failure whatsoever of said Contractor and Surety to fully comply with and carry out each and every requirement of the contract, then this obligation shall be void; otherwise it shall remain in full force and effect.

In the event that Contractor shall be and is declared by the Owner to be in default under the Contract, the Owner having performed its obligations thereunder, the Surety may promptly remedy the default, or shall promptly

1) Complete the contract in accordance with its terms and conditions, or

2) Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by Surety of the lowest responsible bidder, or, if the Owner elects, upon determination by the Owner and the Surety jointly of the lowest responsible bidder, arrange for a contract between such bidder and the Owner , and make available as Work progresses (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price; but not exceeding, including other costs and damages for which the Surety may be liable here under, the penal sum of the bond. The term "balance of the contract price", as used in this paragraph, shall mean the total amount payable by the Owner to Contractor under the Contract and any amendments thereto, disbursed at the rate provided in the original contract, less the amount properly paid by the Owner to the Contractor. If the completion contract provides for more rapid payment than the Contract, then Surety shall advance such sums as are needed to make payment as provided in the completion contract and shall recover it from the Owner when payment from the Owner is due.

No suit shall be commenced or pursued hereunder other than in a state court of competent jurisdiction in Gunnison, Colorado, or in the United States District Court for the 10th District of Colorado.

WAIVER. The said surety, for value received, hereby expressly agrees that no change, extension of time, alteration or addition to the terms of the contract or to the work to be performed thereunder, shall in any wise affect the obligations of this bond; and it does hereby waive notice of any such change, extension of time, or alteration or addition to the terms of the contract or the work to be performed thereunder.

IN WITNESS WHEREOF, the above parties have executed this instrument the _____ day of _____, 2018.

SIGNATURE OF PRINCIPAL (as applicable)

A. Individual, partnership or joint venture

N/A
(Signature of sole proprietor or general partner)

B. Corporation

O. J. Watson Equipment, Inc.
Name of Corporate Principal

Attest _____
Secretary (affix seal)

By _____

SIGNATURE OF SURETY

Name and address of Corporate Surety

Merchants Bonding Company (Mutual)

P.O. Box 14498, Des Moines, IA 50306-3498

By _____ (seal)
Attorney in Fact (attach power of attorney) Ashlea McCaughey

ACCEPTANCE BY

The foregoing bond is approved.

Date _____ By _____

The foregoing bond is in due form according to law and is approved.

Date _____ By _____

Bond Number: COC64818

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS: That O. J. Watson Equipment, Inc., as Principal, hereinafter called Contractor, and Merchants Bonding Company (Mutual) as Surety, licensed to do business as such in the State of Colorado, hereby bind themselves and their respective heirs, executors, administrators, successors, and assigns, unto Gunnison County, Gunnison, Colorado, as Obligee, and hereinafter called Owner, in the penal sum of **Six Hundred Forty-Four Thousand Nine Hundred Dollars and No Cents ($644,900.00)** for the payment whereof Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS,

Contractor has by written agreement, entered into a contract with Gunnison County for Schedule I - Acquire Rotary Plow with All-Wheel Steering and 4x4 Chassis, which contract, including any present or future amendment thereto, is incorporated herein by reference and is hereinafter referred to as the Contract.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if in connection with the Contract including all duly authorized modifications thereto, prompt payment shall be made to all laborers, subcontractors, teamsters, truck drivers, owners or other suppliers of equipment employed on the job, and other claimants, for all labor performed in such work whether done for the prime contractor, a subcontractor, the Surety, a completion contractor or otherwise (at the full wage rates required by any law of the United States or of the State of Colorado, where applicable), for services furnished and consumed, for repairs on machinery, for equipment, tools, materials, lubricants, oil, gasoline, water, gas, power, light, heat, oil, telephone service, grain, hay, feed, coal, coke, groceries and foodstuffs, either consumed, rented, used ore reasonably required for use in connection with the construction of the work or in the performance of the Contract and all insurance premiums, both for compensation and for all other kinds of insurance on the work, for sales taxes and for royalties in connection with, or incidental to, the completion of the Contract, in all instances whether the claim be directly against the Contractor, against the Surety or its completion contractor, through a subcontractor or otherwise, and, further, if the Contractor shall defend, indemnify and hold Gunnison County harmless from all such claims, demands or suits by any such person or entity, then this obligation shall be void; otherwise it shall remain in full force and effect.

Any conditions legally required to be included in a payment bond on this contract, including but not limited to those set out in the applicable Colorado state section of the Owner Charter, are included herein by reference.

The Surety agrees that, in the event that the Contractor fails to make payment of the obligations covered by this bond, it will do so and, further, that within forty-five (45) days of receiving, at the address given below, a claim here under stating the amount claimed and the basis for the claim in reasonable detail, it (a) will send an answer to the claimant, with a copy to the Owner, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed and (b) will pay any amounts that are undisputed. The amount of this bond shall be reduced by and to the extent of any payment of payments made in good faith here under.

While this bond is in force, it may be sued on at the instance of any party to whom any such payment is due, in the name of the Owner, to the use of such party. The Owner shall not be liable for the payment of any costs or expenses of any such suit.

No suit shall be commenced or pursued hereunder other than in a state court of competent jurisdiction in Gunnison, Colorado, or in the United States District Court for the 10th District of Colorado.

WAIVER. The said Surety, for value received, hereby expressly agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed thereunder, shall in any wise affect the obligations of this bond, and it does hereby waive notice of any such change, extension of time, or alteration or addition to the terms of the contract or the work to be performed thereunder.

IN WITNESS WHEREOF, the above parties have executed this instrument the _____ day of _____, 2018.

SIGNATURE OF PRINCIPAL (as applicable)

A. Individual, partnership or joint venture

N/A
(Signature of sole proprietor or general partner)

B. Corporation

O. J. Watson Equipment, Inc.
Name of Corporate Principal

Attest: _____
Secretary (affix seal)

By _____

SIGNATURE OF SURETY

Name and address of Corporate Surety

Merchants Bonding Company (Mutual)

P.O. Box 14498, Des Moines, IA 50306-3498

By _____ (seal)
Attorney in Fact (attach power of attorney) Ashlea McCaughey

ACCEPTANCE BY

The foregoing bond is approved.

Date _____ By _____

The foregoing bond is in due form according to law and is approved.

Date _____ By _____

MERCHANTS BONDING COMPANY™

POWER OF ATTORNEY

Know All Persons By These Presents, that MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., both being corporations of the State of Iowa (herein collectively called the "Companies") do hereby make, constitute and appoint, individually,

Ashlea McCaughey; Brad Moody; Evan E Moody; Jody L Anderson; Karen A Feggestad

their true and lawful Attorney(s)-in-Fact, to sign its name as surety(ies) and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

This Power-of-Attorney is granted and is signed and sealed by facsimile under and by authority of the following By-Laws adopted by the Board of Directors of Merchants Bonding Company (Mutual) on April 23, 2011 and amended August 14, 2015 and adopted by the Board of Directors of Merchants National Bonding, Inc., on October 16, 2015.

"The President, Secretary, Treasurer, or any Assistant Treasurer or any Assistant Secretary or any Vice President shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof."

"The signature of any authorized officer and the seal of the Company may be affixed by facsimile or electronic transmission to any Power of Attorney or Certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually fixed."

In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and aut hority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.

In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner-Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

In Witness Whereof, the Companies have caused this instrument to be signed and sealed this 6th day of December , 2017 .

MERCHANTS NATIONAL BONDING, INC. INCORPORATED -o- 2003

MERCHANTS BONDING COMPANY (MUTUAL) INCORPORATED -o- 1933

MERCHANTS BONDING COMPANY (MUTUAL)
MERCHANTS NATIONAL BONDING, INC.

By Larry Taylor
President

STATE OF IOWA
COUNTY OF DALLAS ss.
On this this 6th day of December 2017 , before me appeared Larry Taylor, to me personally known, who being by me duly sworn did say that he is President of MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC.; and that the seals affixed to the foregoing instrument are the Corporate Seals of the Companies; and that the said instrument was signed and sealed in behalf of the Companies by authority of their respective Boards of Directors.

NOTARIAL SEAL IOWA
ALICIA K. GRAM
Commission Number 767430
My Commission Expires
April 1, 2020

Alicia K. Gram
Notary Public

(Expiration of notary's commission does not invalidate this instrument)

I, William Warner, Jr., Secretary of MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., do hereby certify that the above and foregoing is a true and correct copy of the POWER-OF-ATTORNEY executed by said Companies, which is still in full force and effect and has not been amended or revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Companies on this day of , .

MERCHANTS NATIONAL BONDING, INC. INCORPORATED -o- 2003

MERCHANTS BONDING COMPANY (MUTUAL) INCORPORATED -o- 1933

William Warner Jr.
Secretary

POA 0018 (3/17)