

CONTRACT

THIS AGREEMENT, made and entered into this 2nd day of June, 2014 by and between the City of Minot, a municipal corporation in the County of Ward and the State of North Dakota, party of the first part; and, Wagner Construction Inc. d.b.a Wagner Place, party of the second part, WITNESSETH:

THAT WHEREAS, the City Council of the City of Minot called for bids for the **5th Street NE Sanitary Sewer Extension Project**, and

WHEREAS, on the 2nd day of June, 2014, at 6:30 p.m., the City Council, being in session, did determine that Wagner Construction Inc. d.b.a Wagner Place, was the lowest and best bidder for the work herein specified and the City Council authorized and directed the Mayor and the City Clerk of the City of Minot to enter into a contract with the said party of the second part, for the construction of such work.

NOW, THEREFORE, the party of the second part, in consideration of the premises and the agreements of the party of the first part, hereinafter set forth, does hereby agree to construct the work herein specified in accordance with the plans and specifications duly approved by the City Council and on file in the office of the City Clerk of the City of Minot, a copy of which said party of the second part acknowledges to having received, and to construct such work herein provided in accordance also with its bid and offer, which is as follows, to wit:

The said party of the second part further agrees to build and construct said work under the direction and supervision and subject to the approval of the City Engineer, or engineer in charge of the project if consulting engineers have been retained for this project.

The said party of the second part further agrees that the City Council of the City of Minot does hereby reserve the right, in case of improper construction under this contract, to suspend work thereon at any time and to relet said contract therefrom or to order a reconstruction of said work or any part thereof improperly done, and that any additional cost occasioned thereby shall be deducted from the amount that would otherwise have been due to the party of the second part under his said contract herein, and shall be charged against him. That the work shall be completed not later than the time stated in the specifications or any time extensions granted.

It is further understood and agreed by and between the said parties that the said plans and specifications herein referred to on file in the office of the City Clerk of the City of Minot, shall be considered to be and are hereby made a part of the contract as fully and completely as though written herein at length and party of the second part acknowledges that he is fully informed as to the contents of the said plans and specifications herein referred to.

The contractor shall maintain accounts and records, including personnel, property, and financial records, adequate to identify and account for all costs pertaining to the Project and such other records as may be deemed necessary by the OWNER to assure proper accounting for all project funds, both federal and non-federal shares. These records will be made available for audit or other financial reporting purposes to the OWNER or any authorized representative, and will be retained for five years after the OWNER and HUD has officially closed-out the CDBG Program and Grant.

The City of Minot, the Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the contractor which are directly pertinent to this specific contract for the purpose of audits, examinations, and making excerpts and transcriptions. All records connected with this project will may maintained by the contractor for a period of five (5) years from the official date of close-out of the CDBG Program and Grant by The City of Minot and HUD.

The contractor shall keep the work constructed under this contract in good repair for a period of two years from the date of final acceptance by said City of Minot. Final acceptance shall be deemed to be the date on which the City Council approves final payment.

It is further understood and agreed that upon the second party performing the work designated in this contract, within the time therein provided, the City Council of the City of Minot will from time to time, at its discretion, as the work progresses, pay to the said party of the second part upon the estimates made by the City Engineer of the amount already earned under this contract on the said work, ninety percent (90%) of the amount shown by such estimate to have been earned in current funds from the 5th Street NE Sanitary Sewer Extension Project, and upon the full completion and the approval of the same by the City Engineer of the City of Minot and the City Manager, the said party of the first part will pay the balance due therefore at the prices set forth in the bid, hereinbefore recited in the manner hereinbefore set forth.

It is further understood and agreed that all of the work under this contract shall be paid for only in current funds from the funds above mentioned, and the said party of the first part shall in no case be liable on this or any other contract for the construction of such work for any sum whatsoever to be paid by money raised by general taxation and that the party of the first part assumes and incurs no general liability under this contract.

Should the contractor, the party of the second part, fail to complete the work at the time specified, he shall forfeit to the City of Minot an amount equal to his posted bond, except as limited by the specifications for this project, as and for liquidated damages for failure to complete the work at the time specified.

The party of the second part further undertakes and agrees to and with the party of the first part, that he will protect, indemnify and save harmless the said City of Minot from any and all damages and liability whatsoever, on account of any accident or injury which may occur or be caused directly or indirectly to any one on account of the construction of said work by the party of the second part or by any excavations or obstructions which may be placed in the project area by the said party of the second part in connection with the work or otherwise. That he will pay all taxes applicable to this work hereunder, and keep all employees fully covered by workmen's compensation and pay all premiums due therefore promptly when due.

IN WITNESS WHEREOF, the party of the first part has caused this contract to be executed by the Mayor in its name and countersigned and attested to by its City Clerk, and its corporate seal to be hereunto affixed, and the party of the second part has hereunto caused this contract to be executed by its officers thereunto duly authorized.

(Corporate Seal)

ATTEST:



Lisa Jundt, City Clerk

CITY OF MINOT

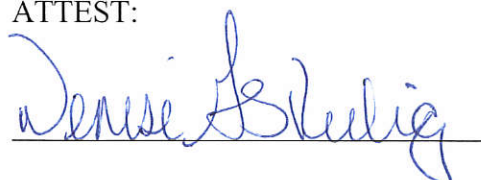


Curt Zimbelman, Mayor

Wagner Construction Inc. d.b.a Wagner Place

(Corporate Seal)

ATTEST:



Denise Schulig

BY



Its treasurer

Its _____