

# CONSTRUCTION AGREEMENT

**Cal Black Memorial Airport  
Halls Crossing, Utah  
UDOT FY 2025 Pavement Maintenance  
UDOT Project No. FY25 Project**

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between San Juan County, Party of the First Part, hereinafter referred to as the "Sponsor", and American Road Maintenance, Inc., Party of the Second Part, hereinafter referred to as the "Contractor," for the construction of airport improvements including UDOT FY 2025 Pavement Maintenance, UDOT Project No. FY25 Project at the Cal Black Memorial Airport.

WITNESSETH THAT the Contractor and Sponsor for the consideration stated herein agree as follows:

**ARTICLE 1: SCOPE OF WORK.** It is hereby mutually agreed that for and in consideration of the payments as provided for herein to the Contractor by the Sponsor, the Contractor shall furnish all labor, utilities, transportation services, tools, equipment, and material and shall perform all work necessary including all incidental and appurtenant work to complete the improvements in a good and substantial manner, ready for use in strict accordance with this Contract, a copy of which is filed pursuant to law in the office of the legal representative of the Sponsor.

**ARTICLE 2: NOTICE TO PROCEED.** The Contractor agrees to commence work within ten (10) calendar days after the date indicated within the Notice to Proceed. Contract times commence to run as provided in paragraph 80-07 of General Provisions and will continue to be counted until the project is accepted and complete, including punch list and administrative closeout submittals. Contractor further agrees to complete said work within 4 working days. Extensions of the Contract time may only be permitted execution of a formal modification to Contract Agreement as approved by the Sponsor.

**ARTICLE 3: COMPENSATION.** In consideration of the completion of the work described herein and in fulfillment of all stipulations of this Contract to the satisfaction and acceptance of the Engineer and the Sponsor, the Sponsor shall pay and the said Contractor further agrees to receive and accept payment based on the contract price bid per unit as full compensation for furnishing all the equipment, labor, incidentals, and materials, and for the costs of all premiums on insurance and bonds and for doing all work contemplated and specified in this Contract; also for all loss or damage arising out of the nature of the work aforesaid, or from any unforeseen obstructions or difficulties which may be encountered in the prosecution of the same; and for all risks of every description connected with the work; and for well and faithfully completing the work and the whole thereof, in full compliance with the Contract Documents and the requirements of the Engineer under them.

Payments are to be made to the Contractor in accordance with and subject to the provisions embodied in the Contract documents hereto attached.

The amount of money appropriated will be equal to or in excess of the contract amount as forth in the notice(s) to proceed. Change orders requiring additional compensable work to be performed, which cause the aggregate amount payable under the contract to exceed the amount appropriated for the original contract, are prohibited unless the contractor is given written assurance by Sponsor that lawful appropriations to cover costs of the additional work have been made or unless such work is covered under a remedy granting provision of the contract. Notwithstanding anything to the contrary in the Contract Documents the Contractor hereby acknowledges and agrees that Sponsor's performance under the contract is subject to receipt of funds from UDOT and further is subject to annual appropriation by the Sponsor in accordance with a budget adopted by the Cal Black Memorial Airport. Sponsor may issue multiple Notice(s) to Proceed in incremental stages as funding becomes available.

Inasmuch as this Contract is executed pursuant to the laws of the State of Utah, pertaining to airports and payment of the contract unit price shall be made solely from special account established for this project.

**ARTICLE 4: PAYMENT BY SPONSOR.** It is hereby further agreed that, at the completion of the work and its acceptance by the Sponsor, 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 Sponsor after said completion and acceptance.

**ARTICLE 5: LIQUIDATED DAMAGES.** Contractor and Sponsor recognize that time is of the essence and that Sponsor will suffer financial and other losses if the Work is not completed and Milestones not achieved within the Contract Times, as duly modified. The parties also recognize the delays, expense, and difficulties involved in proving, in a legal or arbitration proceeding, the actual loss suffered by Sponsor if the Work is not completed on time.

Accordingly, instead of requiring any such proof, Sponsor and Contractor agree that as liquidated damages for delay (but not as a penalty) if Contractor neglects, refuses, or fails to complete the remaining Work within the Contract Times (as duly adjusted pursuant to the Contract) for acceptance, completion and readiness for final payment. Contractor shall pay Sponsor damages as outlined in the General Provisions 80-08 and Local Provisions, “Liquidated Damages” for each day that expires after such time until the Work is completed and ready for final payment.

Liquidated damages for failing to timely attain Milestones, Substantial Completion, and final completion are not additive, and will not be imposed concurrently. If Sponsor recovers liquidated damages for a delay in completion by Contractor, then such liquidated damages are Sponsor’s sole and exclusive remedy for such delay, and Sponsor is precluded from recovering any other damages, whether actual, direct, excess, or consequential, for such delay, except for special damages (if any) specified in this Agreement.

**ARTICLE 6: SPECIAL DAMAGES.** Contractor shall reimburse Sponsor for any fines or penalties imposed on Sponsor as a direct result of the Contractor’s failure to attain Substantial Completion according to the Contract Times, and for the actual costs reasonably incurred by Sponsor for engineering, construction observation, inspection, and administrative services needed after the contract time expires. The special damages imposed in this paragraph are supplemental to any liquidated damages for delayed completion established in this Agreement.

**ARTICLE 7: CONTRACT DOCUMENTS.** It is hereby further agreed that any references herein to the “Contract” shall include “Contract Documents” as the same as defined in Paragraph 10-16, Section 10 of the General Provisions and as listed in the Table of Contents of this Project Manual. The “Contract” shall consist of:

- All issued Addenda
- Notice to Bidders
- Instruction to Bidders
- Part 2: Bidding Documents
  - Bid proposal is excluded. Awarded schedules and corrected pay items are incorporated into this agreement.
- Part 3: Contract Documents
- Part 4: FAA General Provisions
- Part 5: Special Provisions
- Part 6: Technical Specifications
- Construction Drawings
- Project Manual
- 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.

**ARTICLE 8: UNIT PRICES.** The Contractor agrees to perform all the work described in the Contract Documents for the unit prices and lump sums as submitted in the Bid and incorporated herein, taking into consideration additions to or deductions from the Total Bid by reason of actual quantities measured, alterations or modifications of the original estimated quantities or by reason of “Extra Work” authorized under this Agreement in accordance with the provisions of the Contract Documents.

**ARTICLE 9: BREACH OF CONTRACT TERMS.** Any violation or breach of terms of this contract on the part of the Contractor or its subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement.

Sponsor will provide Contractor written notice that describes the nature of the breach and corrective actions the Contractor must undertake in order to avoid termination of the contract. Sponsor reserves the right to withhold payments to Contractor until such time the Contractor corrects the breach or the Sponsor elects to terminate the contract. The Sponsor's notice will identify a specific date by which the Contractor must correct the breach. Sponsor may proceed with termination of the contract if the Contractor fails to correct the breach by the deadline indicated in the Sponsor's notice.

The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.


**ARTICLE 10: CONTRATOR REPRESENTATIONS.** In order to induce Sponsor to enter into this Contract, Contractor makes the following representations:

- Contractor has examined and carefully studied the Contract Documents, including Addenda.
- Contractor has visited the Site, conducted a thorough visual examination of the Site and adjacent areas, and become familiar with the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- Contractor is familiar with all Laws and Regulations that may affect cost, progress, and performance of the Work.
- Contractor has carefully studied the reports of explorations and tests of subsurface conditions at or adjacent to the Site and the drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, with respect to the Technical Data in such reports and drawings.
- Contractor has carefully studied the reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, with respect to Technical Data in such reports and drawings.
- Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Technical Data identified in the Supplementary Conditions or by definition, with respect to the effect of such information, observations, and Technical Data on the cost, progress, and performance of the Work; the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and Contractor's safety precautions and programs.
- Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
- Contractor is aware of the general nature of work to be performed by Sponsor and others at the Site that relates to the Work as indicated in the Contract Documents.
- Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and of discrepancies between Site conditions and the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
- The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
- Contractor's entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

**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. All copies of this agreement for all intents and purposed shall be considered as the original.

CONTRACTOR, Party of the Second Part


**American Road Maintenance, Inc.**

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

**Officer**

\_\_\_\_\_  
(Office or Position of Signer)

(SEAL)

  
ATTEST: \_\_\_\_\_

**President**

\_\_\_\_\_  
(Office or Position of Signer)



SPONSOR, Party of the First Part

**San Juan County**

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

\_\_\_\_\_  
(Office or Position of Signer)

(SEAL)

ATTEST: \_\_\_\_\_

\_\_\_\_\_  
(Office or Position of Signer)