

AGREEMENT BETWEEN OWNER AND CONTRACTOR FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)

This Agreement is by and between City of Sandpoint, Idaho ("Owner") and Stewart Contracting, Inc. ("Contractor").

Terms used in this Agreement have the meanings stated in the General Conditions and the Supplementary Conditions.

Owner and Contractor hereby agree as follows:

ARTICLE 1—WORK

- 1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

The project can be summarized to include utility improvements and a complete reconstruction of Cedar Street from Division Avenue and Lincoln Avenue. The work generally includes: upgrading the stormwater pipe and catch basins and water main, reconstructing road base and subbase, new asphalt pavement, concrete curb, gutter, and sidewalk along Cedar Street; and upgrading the stormwater pipe and catch basins along Lincoln Avenue from Cedar Street to Pine Street; and cleanup.

ARTICLE 2—THE PROJECT

- 2.01 The Project, of which the Work under the Contract Documents is a part, is generally described as follows:

City of Sandpoint – Cedar Street Reconstruction

ARTICLE 3—ENGINEER

- 3.01 The Owner will assume all duties and responsibilities of Engineer, and have rights and authority assigned to Engineer in the Contract.
- 3.02 The project has been designed by the Owner's consultant HMM Engineering.

ARTICLE 4—CONTRACT TIMES

- 4.01 *Time is of the Essence*

A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

- 4.02 *Contract Times: Dates*

A. The Work will be substantially complete on or before **September 30, 2026**, and completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before **October 30, 2026**.

4.05 *Liquidated Damages*

- A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial loss if the Work is not completed within the times specified in Paragraph 4.02 above plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):
 - 1. *Substantial Completion*: Contractor shall pay Owner \$2,000.00 for each day that expires after the time (as duly adjusted pursuant to the Contract) specified above for Substantial Completion, until the Work is substantially complete.
 - 2. *Completion of Remaining Work*: After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner \$1,000.00 for each day that expires after such time until the Work is completed and ready for final payment.
- B. If Owner recovers liquidated damages for a delay in completion by Contractor, then such liquidated damages are Owner's sole and exclusive remedy for such delay, and Owner 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 5—CONTRACT PRICE

- 5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents, the amounts that follow, subject to adjustment under the Contract:
 - A. For all Work, at the prices stated in Contractor's Bid, attached hereto as an exhibit.

ARTICLE 6—PAYMENT PROCEDURES

- 6.01 *Submittal and Processing of Payments*
 - A. Contractor shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.
- 6.02 *Progress Payments; Retainage*
 - A. Owner shall make progress payments on the basis of Contractor's Applications for Payment on or about the 30th day of each month during performance of the Work as provided in Paragraph 6.02.A.1 below, provided that such Applications for Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no Schedule of Values, as provided elsewhere in the Contract.
 - 1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments

previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract.

- a. 95 percent of the value of the Work completed (with the balance being retainage).
 - b. 95 percent of cost of materials and equipment not incorporated in the Work (with the balance being retainage).
- B. Upon Substantial Completion, Owner shall pay an amount sufficient to increase total payments to Contractor to 95 percent of the Work completed, less such amounts set off by Owner pursuant to Paragraph 15.01.E of the General Conditions.

6.03 *Final Payment*

- A. Upon final completion and acceptance of the Work, Owner shall pay the remainder of the Contract Price in accordance with Paragraph 15.06 of the General Conditions.

6.04 *Consent of Surety*

- A. Owner will not make final payment, or return or release retainage at Substantial Completion or any other time, unless Contractor submits written consent of the surety to such payment, return, or release.

6.05 *Interest*

- A. All amounts not paid when due will bear interest at the rate of 6% percent per annum.

ARTICLE 7—CONTRACT DOCUMENTS

7.01 *Contents*

- A. The Contract Documents consist of all of the following:
- 1. This Agreement.
 - 2. Bonds:
 - a. Performance bond (together with power of attorney).
 - b. Payment bond (together with power of attorney).
 - 3. Standard General Conditions, EJCDC C-700 (2018 Edition).
 - 4. Supplementary Conditions.
 - 5. Specifications (not attached but incorporated by reference) consisting of the Idaho Standards for Public Works Construction (ISPWC – 2020 Edition), excluding Division 100.
 - 6. Special Provisions.
 - 7. Drawings consisting of **72** sheets with each sheet bearing the following general title:
Cedar Street Reconstruction.
 - 8. Addenda (numbers 1 to 3, inclusive).
 - 9. Contractor's Bid
 - 10. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
 - a. Notice to Proceed.

- b. Work Change Directives.
 - c. Change Orders.
 - d. Field Orders.
 - e. Warranty Bond, if any.
11. In the event of inconsistency between the Contract Documents, the Contract Documents shall be interpreted in accordance with the listed priorities set forth in this provision, i.e, requirements of item 1 shall supersede all lower ranked items.
- B. The Contract Documents listed in Paragraph 7.01.A are attached to this Agreement (except as expressly noted otherwise above).
 - C. There are no Contract Documents other than those listed above in this Article 7.
 - D. The Contract Documents may only be amended, modified, or supplemented as provided in the Contract.

ARTICLE 8—REPRESENTATIONS, CERTIFICATIONS, AND STIPULATIONS

8.01 *Contractor's Representations*

- A. In order to induce Owner to enter into this Contract, Contractor makes the following representations:
 - 1. Contractor has examined and carefully studied the Contract Documents, including Addenda.
 - 2. 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.
 - 3. Contractor is familiar with all Laws and Regulations that may affect cost, progress, and performance of the Work.
 - 4. Contractor has carefully studied 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 drawings.
 - 5. 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 (a) the cost, progress, and performance of the Work; (b) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (c) Contractor's safety precautions and programs.
 - 6. 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.

7. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
8. 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.
9. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
10. 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.
11. The Contractor is an appropriately licensed public works contractor per Idaho Code Section 54-1902.
12. Contractor shall comply with all Laws and Regulations applicable to the performance of the Work. Except where otherwise expressly required by applicable Laws and Regulations, neither Owner nor Engineer shall be responsible for monitoring the Contractor's compliance with any Laws or Regulations.

8.02 *Contractor's Certifications*

- A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 8.02:
 1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process or in the Contract execution;
 2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
 3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and
 4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement.

This Agreement will be effective on June 04, 2026 (which is the Effective Date of the Contract).

Owner: City of Sandpoint

Contractor: Stewart Contracting, Inc.

Jeremy Grimm City of Sandpoint
(typed or printed name of organization)
By: [Signature]
(individual's signature)

Date: _____
(date signed)

Name: Jeremy Grimm
(typed or printed)

Title: Mayor
(typed or printed)

Attest: [Signature]
(individual's signature)

Title: Meri Jane Bohn, City Clerk
(typed or printed)

Address for giving notices:

City of Sandpoint, City Clerk

1123 Lake Street

Sandpoint, Idaho 83864

Designated Representative:

Name: Holly Ellis
(typed or printed)

Title: Public Works Director
(typed or printed)

Address:

1123 Lake Street

Sandpoint, Idaho 83864

Phone: 208-946-2087

Email: hellis@sandpointidaho.gov

(If [Type of Entity] is a corporation, attach evidence of authority to sign. If [Type of Entity] is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of this Agreement.)

[Signature]
(typed or printed name of organization)
By: Greg Stewart
(individual's signature)

Date: _____
(date signed)

Name: Greg Stewart
(typed or printed)

Title: President
(typed or printed)

(If [Type of Entity] is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)

Attest: _____
(individual's signature)

Title: Jenny Stewart, Secretary
(typed or printed)

Address for giving notices:

Po Box 1275

Pinehurst

Idaho 83850

Designated Representative:

Name: Greg Stewart
(typed or printed)

Title: President
(typed or printed)

Address:

Po Box 1275

Pinehurst

Idaho 83850

Phone: 208-661-2757

Email: greg@stewartcontracting.com

License No.: 025627-UNLIMITED-1
(where applicable)

State: Idaho

No: 26-041
Date: June 3, 2026

RESOLUTION
OF THE CITY COUNCIL
CITY OF SANDPOINT

TITLE: AWARDING CONSTRUCTION CONTRACT AGREEMENT FOR THE CEDAR STREET RECONSTRUCTION PROJECT TO STEWART CONTRACTING, INC. (CITY AGREEMENT A26-3170-4)

WHEREAS: The City of Sandpoint solicited bids for the Cedar Street Reconstruction Project from Lincoln Avenue to Division Avenue in accordance with Idaho Code § 67-2805;

WHEREAS: Seven (7) sealed bids were received on May 19, 2026;

WHEREAS: Stewart Contracting, Inc. was determined to be the lowest responsible and responsive bidder with a total bid amount of \$2,097,705.00;

WHEREAS: The project includes roadway reconstruction, stormwater improvements, utility upgrades, pedestrian improvements, and street trees;

WHEREAS: Funding for the project has been budgeted in FY2026 through the Streets General Fund, Resort City Tax, Water Fund, and Sewer Fund; and

WHEREAS: The City Council finds it in the best interest of the City to award the contract to Stewart Contracting, Inc.

NOW, THEREFORE, BE IT RESOLVED THAT: City Council hereby awards the construction contract for the Cedar Street Reconstruction Project (City Agreement A26-3170-4) to Stewart Contracting, Inc. in the amount of \$2,097,705.00.

BE IT FURTHER RESOLVED THAT: The Mayor or his designee, as permitted, is hereby authorized to sign any and all grant application documents for this purpose.



Jeremy Grimm, Mayor

ATTEST:



Meri Jane Bohn, City Clerk