

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

This Agreement is by and between **Wise County Public Service Authority** ("Owner") and **Portland Utilities Construction Company** ("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 and as negotiated. The Work is generally described as follows: **Pound Interceptor Replacement - Contracts 1, 2 and 3 consisting of CIPP lining of approximately 5,310 LF of 8", 3,785 LF of 14" and 6,275 LF of 20" existing gravity line including rehabilitation of all manholes, CIPP lining of services, and all appurtenances.**

ARTICLE 2—THE PROJECT

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

ARTICLE 3—ENGINEER

- 3.01 The Owner has retained **Mattern & Craig** ("Engineer") to act as Owner's representative, assume all duties and responsibilities of Engineer, and have the rights and authority assigned to Engineer in the Contract.
- 3.02 The part of the Project that pertains to the Work has been designed by **Mattern & Craig**.

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: Days*
- A. The Work will be substantially complete within **365** days after the date when the Contract Times commence to run as provided in Paragraph 4.01 of the General Conditions, and completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions within **395** days after the date when the Contract Times commence to run.
- 4.04 *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 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 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 **\$1,000.00** 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.
 3. Liquidated damages for failing to timely attain Substantial Completion, and final completion are not additive, and will not be imposed concurrently.
- 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.

4.06 *Special Damages*

- A. Contractor shall reimburse Owner (1) for any fines or penalties imposed on Owner as a direct result of the Contractor's failure to attain Substantial Completion according to the Contract Times, and (2) for the actual costs reasonably incurred by Owner for engineering, construction observation, inspection, and administrative services needed after the time specified in Paragraph 4.02 for Substantial Completion (as duly adjusted pursuant to the Contract), until the Work is substantially complete.
- B. After Contractor achieves Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times, Contractor shall reimburse Owner for the actual costs reasonably incurred by Owner for engineering, construction observation, inspection, and administrative services needed after the time specified in Paragraph 4.02 for Work to be completed and ready for final payment (as duly adjusted pursuant to the Contract), until the Work is completed and ready for final payment.
- C. The special damages imposed in this paragraph are supplemental to any liquidated damages for delayed completion established 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 Unit Price Work, an amount equal to the sum of the extended prices (established for each separately identified item of Unit Price Work by multiplying the unit price times the actual quantity of that item).

Unit Price Work					
Item No.	Description	Unit	Estimated Quantity	Unit Price	Extended Price
	Preliminary Investigation – Phase 1				
1	Phase I Mobilization	LS	1	\$211,350	\$211,350
2	Traffic Control (Per Location)	Day	50	1,600	80,000
3	Manhole Related Items:				
a	Dewatering/Access to Manholes in Waterways	EA	52	10,600	551,200
b	Remove/Replace Frame & Cover	EA	86	3,330	286,380
c	Raise Manhole Barrel Above Water Level In River	VF	43	2,000	86,000
d	Raise up to 6 inches with grade ring	EA	10	2,070	20,700
4	CCTV Related Phase II:				
a	Light Cleaning & Pre-CCTV (Up to 12")	LF	5,314	10	53,140
b	Desilting/Heavy Cleaning (Up to 12")	LF	5,314	10	53,140
c	Light Cleaning & Pre-CCTV (14" to 24")	LF	10,057	11	110,627
d	Desilting/Heavy Cleaning (14" to 24")	LF	10,057	12	120,684
	Subtotal for Phase I				\$1,573,221
	Mainline Sanitary Sewer Items - Phase II				
1	Phase II Mobilization	LS	1	347,000	347,000
2	Traffic Control (Per Location) - Phase II	Day	150	1,600	240,000
3	CCTV Related Phase II				
a	Descaling/Corrosion Removal (Up to 12")	LF	5,314	20	106,280
b	Post-CCTV (8" to 12")	LF	185	179	33,115
c	Descaling/Corrosion Removal (14" to 24")	LF	10,057	49	492,793
d	Post-CCTV (14" to 24")	LF	10,057	12	120,684
4	CIPP				
a	8" CIPP (UV Cure)	LF	5,314	177	940,578
b	10" CIPP (UV Cure) (Allowance)	LF	185	179	33,155
c	14" CIPP (UV Cure)	LF	3,794	180	681,120

Unit Price Work					
Item No.	Description	Unit	Estimated Quantity	Unit Price	Extended Price
d	20" CIPP (UV Cure)	LF	6,273	230	1,442,790
e	CIPP Laboratory Testing	EA	15	430	6,450
f	Internal Reinstatement of Laterals	EA	63	545	34,335
g	Protruding Tap Removal	EA	6	1,725	10,350
5	Sewer Service Laterals - CIPP Lateral Lining				
a	Pre CCTV Lateral Launch	EA	63	1,200	75,600
b	CIPP Lateral on 8" to 10" Mains up to 5 LF	EA	34	6,060	206,040
c	CIPP Lateral on 12" to 15" Mains up to 5 LF	EA	20	11,300	226,000
d	CIPP Lateral on 18" to 24" Mains up to 5 LF	EA	9	16,000	144,000
e	Additional Footage for Lateral Lining Over 5 LF	LF	708	167	118,236
6	Manhole Rehab Related				
a	Galvanized Wire Mesh (For Interior Lining of Raised Manhole)	VF	75	200	15,000
b	Composite Lining System	VF	818	700	572,600
c	Manhole Leak (Grouting)	Gal	50	600	30,000
d	Reconstruct Bench & Invert	EA	86	2,000	172,000
e	Chimney Seals	EA	86	1,300	111,800
7	Restoration				
a	Asphalt Roadway Patching (Allowance)	SY	50	160	8,000
b	Asphalt Driveway Patching (Allowance)	SY	50	100	5,000
c	Concrete SW Replacement (Allowance)	SY	10	200	2,000
d	Concrete Curb & Gutter Replacement (Allowance)	LF	10	100	1,000
e	Seed and Mulch	SY	3,000	12	36,000
8	Miscellaneous				
a	Flowable Fill (Allowance)	CY	5	760	3,800
b	Access to Manholes in Waterways	LS	1	667,300	667,300
c	Crane	Days	70	7,300	511,000
d	Bypass Pumping	LS	1	1,150,300	1,150,300
e	Rock Excavation (Allowance)	CY	10	534	5,340

Unit Price Work					
Item No.	Description	Unit	Estimated Quantity	Unit Price	Extended Price
f	Open Cut Point Repair & Service Lateral (Allowance)	LS	1	200,000	200,000
9	Erosion Control				
a	Silt Fence	LF	500	11	5,500
b	Floating Turbidity Barrier	LF	100	33	3,300
	SubTotal for Phase II				\$8,778,451
Total of all Extended Prices for Unit Price Work (subject to final adjustment based on actual quantities)					\$10,351,672

The extended prices for Unit Price Work set forth as of the Effective Date of the Contract are based on estimated quantities. As provided in Paragraph 13.03 of the General Conditions, estimated quantities are not guaranteed, and determinations of actual quantities and classifications are to be made by Engineer.

- B. Total of Lump Sum Amount and Unit Price Work (subject to final Unit Price adjustment) **\$10,351,672.**

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 **20th** 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 **100** percent of the Work completed, less such amounts set off by Owner pursuant to Paragraph 15.01.E of the General Conditions, and less **200** percent of Engineer's estimate of the value of Work to be completed or corrected as shown on the punch list of items to be completed or corrected prior to final payment.

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 **[number]** 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. General Conditions.
 - 4. Supplementary Conditions.
 - 5. Specifications as listed in the table of contents of the project manual (copy of list attached).
 - 6. Drawings (not attached but incorporated by reference) with each sheet bearing the following general title:
 - Pound Interceptor Replacement Contract 1 (16 sheets).**
 - Pound Interceptor Replacement Contract 2 (23 sheets).**
 - Pound Interceptor Replacement Contract 3 (16 sheets).**
 - Sanitary Sewage Disposal Facilities as revised August, 1974 (for reference only).**
 - 7. Addenda (numbers **1 to 4 of Contract 1**; **1 to 3 of Contract 2**; and **1 to 3 of Contract 3**, all inclusive).
 - 8. Exhibits to this Agreement (enumerated as follows):
 - a. Exhibit 1 - **Portland Utilities proposal letter dated 10-20-2025.**

9. 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.
- 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 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.
 - 5. 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.
 - 6. 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.

7. 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.
8. 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.
9. 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.
10. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
11. 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.

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.

8.03 *Standard General Conditions*

- A. Owner stipulates that if the General Conditions that are made a part of this Contract are EJCDC® C-700, Standard General Conditions for the Construction Contract (2018), published by the Engineers Joint Contract Documents Committee, and if Owner is the party that has furnished said General Conditions, then Owner has plainly shown all modifications to the standard wording of such published document to the Contractor, through a process such as highlighting or "track changes" (redline/strikeout), or in the Supplementary Conditions.

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

This Agreement will be effective on **the date last signed below** (which is the Effective Date of the Contract).

Owner: Wise County Public Service Authority <i>(typed or printed name of organization)</i>	Contractor: Portland Utilities Construction Co. <i>(typed or printed name of organization)</i>
By: _____ <i>(individual's signature)</i>	By: _____ <i>(individual's signature)</i>
Date: _____ <i>(date signed)</i>	Date: _____ <i>(date signed)</i>
Name: _____ <i>(typed or printed)</i>	Name: _____ <i>(typed or printed)</i>
Title: _____ <i>(typed or printed)</i>	Title: _____ <i>(typed or printed)</i>
	<i>(If [Type of Entity] is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)</i>
Attest: _____ <i>(individual's signature)</i>	Attest: _____ <i>(individual's signature)</i>
Title: _____ <i>(typed or printed)</i>	Title: _____ <i>(typed or printed)</i>
Address for giving notices: 5622 Industrial Drive Norton, VA 24273	Address for giving notices: PO Box 510 117 DeMase Street Portland, TN 37148
Designated Representative:	Designated Representative:
Name: _____ <i>(typed or printed)</i>	Name: _____ <i>(typed or printed)</i>
Title: _____ <i>(typed or printed)</i>	Title: _____ <i>(typed or printed)</i>
Address: _____ _____ _____	Address: _____ _____ _____
Phone: _____	Phone: _____
Email: _____	Email: _____
<i>(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.)</i>	License No.: _____ <i>(where applicable)</i>
	State: _____



Via Email – 10-20-2025

Randy Beckner PE
Mattern & Craig Engineers - Surveyors
rwbeckner@matternandcraig.com

RE: Pound Interceptor Replacement – Rehabilitation Project

Randy –

We are pleased to submit our proposal for the above-mentioned project for Wise County Public Service Authority in Pound, Virginia. The approach provided is based upon a collaboration between the Engineer and Contractors.

The original design of this project was to open cut all the existing sanitary sewer lines, and abandon the existing system located primarily in the North Fork Pound River. The project was to be done in 3 separate contracts. It was decided to consolidate these 3 projects into 1 rehabilitation project utilizing Cured In Place Pipe-lining on the existing sewer system and rehabilitate the existing manhole structures. You also requested we provide an alternate for a handful of segments to be priced using open cut.

The following is our approach to accomplish the work, as well as pricing for the work.

Phase I – Preliminary Investigation

This 1st phase will encompass raising the manholes out of the water and performing CCTV inspection to confirm and assess the scope of work. McFall Excavating will raise the manholes and PUCC will then perform CCTV inspections. Access to these manholes will be accomplished via platforms installed to accommodate this work. Once the CCTV data has been processed by your staff, we can confirm and adjust the estimated quantities shown for Phase II, rehabilitation work.

Phase II – Mainline Sanitary Sewer Rehabilitation

This phase is the actual rehabilitation of the sewer system. Our plan is to set up a bypass system that will encompass 1 of 9 setups to do this work. Each set up will involve setting working platforms at 8 to 10 consecutive manholes. We will then descale and remove any corrosion from the pipes as needed, line them, line any laterals, and

rehabilitate all the manholes within this setup. Due to the weight of the platforms and lining material, a crane will be utilized to safely facilitate these items. Anticipating the unknown scope of most of these items, individual pay items have been set up.

The quantities submitted in this proposal are again just an estimate and cannot be determined until Phase I is completed. Quantities will go up or down depending on the outcome of the preliminary investigations.

Alternate I – Open Cut Option

This alternative option is per your request for some sections you selected. We have included these sections in our CIPP pricing in Phase II as well. If this option is selected, it is a stand-alone option that has been completely separated from the Base Bid. All items shown in this alternate will be performed by McFall Excavating utilizing us as the Prime Contractor for the project. If selected, we can back out the quantities for rehabilitation items.

Notes to the Proposal

- All quantities are estimated
- All quantities are contingent upon Phase I – Preliminary Investigation
- Lump sum items in the Alternate are in addition to the lump sum items in the base bid
- The proposal is subject to change based upon negotiated terms and subject to final approval of the owner and Contractor

In conclusion, this is an extremely complex project involving items dedicated solely to access to the system. The access to the work is the main hurdle to overcome. We have prepared this proposal with the utmost respect for the Owner, and to minimize any negative impact to the community during this process. We will all have to work together on this one. The property owners will need to be aware of the impacts and challenges during our presence as well.

Thank you again for the opportunity to present this proposal to you. Please do not hesitate to contact us if you have any further questions or comments.

Sincerely,

Joseph F. Lehrer

Joseph F. Lehrer

Portland Utilities Construction Company, LLC