# PUBLIC IMPROVEMENT REIMBURSEMENT AGREEMENT

# BY AND BETWEEN THE EAGLE URBAN RENEWAL AGENCY AND GEM STATE BREWING, LLC

November 8, 2023

Water Line and Other Public Improvements 2023

#### PUBLIC IMPROVEMENT REIMBURSEMENT AGREEMENT

THIS PUBLIC IMPROVEMENT REIMBURSEMENT AGREEMENT ("Agreement") is entered into as of the 8th day of November 2023, by and between the EAGLE URBAN RENEWAL AGENCY ("EURA"), the urban renewal agency for the City for Eagle ("City"), an independent public body, corporate and politic, organized and existing under the urban renewal laws of the State of Idaho (the "Agency") and Gem State Brewing, LLC an Idaho limited liability company ("Participant"). Agency and Participant may collectively be referred to as "Parties" and individually as "Party."

#### RECITALS

WHEREAS, the EURA, an independent public body, corporate and politic, is an urban renewal agency created by and existing under the authority of and pursuant to the Idaho Urban Renewal Law of 1965, being Idaho Code, Title 50, Chapter 20, as amended and supplemented, and the Local Economic Development Act of 1988, being Idaho Code, Title 50, Chapter 29; as amended and supplemented (collectively the "Act");

WHEREAS, the EURA was established by Resolution No. 06-50 of the City Council of the City of Eagle, Idaho (hereinafter the "City Council"), adopted October 10, 2006;

WHEREAS, the City Council of the City of Eagle, Idaho (the "City"), on December 11, 2007, after notice duly published, conducted a public hearing on the Eagle Revitalization Plan (the "Plan");

WHEREAS, following said public hearing the City adopted its Ordinance No. 592 on December 11, 2007, approving the Plan and making certain findings;

WHEREAS, the EURA has a strong interest in the revitalization, development and re-development of those portions of the City of Eagle with the urban renewal district;

WHEREAS, Participant will be developing property in the urban renewal district as described herein and will be required or has agreed to make certain public improvements including an upgraded a sewer line, fire hydrant, ACHD and other right of way improvements;

WHEREAS, the EURA received a request from Participant to receive reimbursement for construction costs associated with the such public improvements for its project as noted in Exhibit A attached hereto and incorporated herein;

WHEREAS, the total cost of construction and related work for the corresponding the public improvements is \$104,231.35 with reimbursement from the EURA requested in that amount after receipt of the first quarter funding next year and on or before March 1, 2024;

NOW, THEREFORE, based upon the mutual consideration, the receipt and sufficiency of which is hereby acknowledged, the Agency and the Participant agree as follows:

#### SUBJECT OF AGREEMENT

#### A. Reimbursement Agreement

The purpose of this Agreement is to effectuate the Plan and a portion of the Eagle Urban Renewal Project (the "Urban Renewal Project") by providing for upgrades to a water line and other public improvements as noted in Exhibit A ("Reimbursable Improvements") that will support and promote redevelopment within the urban renewal district. The maximum amount of reimbursement to be paid by the EURA to Participant for these Reimbursable Improvements is one hundred four thousand two hundred thirty

one dollars and thirty five cents (\$104,231.35). Reimbursement to be made after receipt of the first quarter 2024 funding and on or before March 1, 2024 in accordance with this Agreement.

The above noted recitals are hereby incorporated into this Agreement as if set forth fully herein. There is any conflict between the language contained in the exhibits attached hereto and the body of this Agreement the terms and conditions contained in the body of the Agreement and not the Exhibits will govern and control.

The Participant will ensure construction of the Reimbursable Improvements and as part of the Participant's development project as described in Exhibit A. Participant will provide documentation acceptable to Agency that the reimbursable Improvements as described in Exhibit A to this Agreement were properly constructed, completed and accepted by applicable agencies prior to receiving any reimbursement under this Agreement.

The Project is completed with anticipated reimbursement to be made in the first quarter of 2024. Unless extended by mutual written agreement, the term of this Agreement shall be through March 1, 2024 or until the Reimbursable Improvements are properly completed and the applicable reimbursements are paid to Participant, whichever occurs first. This Agreement may be earlier terminated by the parties as provided herein and portions of this Agreement pertaining to the obligations of Participant shall survive expiration and termination of this Agreement.

#### B. The Plan

This Agreement is subject to the provisions of the Plan.

#### C. Reimburse for Costs of Public Improvements

The Reimbursable Improvements consist a water line upgrade and other public improvements as noted in Exhibit A which is located within the Urban Renewal Project Area. The Parties agree that reimbursement under this agreement will be paid only after the Reimbursable Improvements described in this Agreement are properly completed and accepted by the applicable agencies and corresponding documentation

establishing payment acceptable to EURA is provided by the Participant. Participant agrees to submit a request for reimbursement to the Agency which shall include proof acceptable to Agency of proper completion of the Reimbursable Improvements no later February 1, 2024.

#### D. Agency Participation Policy

Generally, the Agency has agreed to financially participate with a private developer when such participation, in the Agency's complete discretion, achieves and conforms with the goals and objectives of the Plan and the law, is not duplicative of other public entity funding, does not replace or substitute for the obligations imposed by other governmental agencies on the Participant, when funding is available and where the applicable project is a priority for the Agency.

#### E. <u>Indemnification</u>

Participants shall indemnify, defend and hold harmless the Agency and its respective officers, agents, consultants and employees from and against all liabilities, obligations, damages, penalties, claims, suits, costs, fees, charges, and expenses, including without limitation architect, engineer and attorney fees, which may be imposed upon or incurred by or asserted against Agency or its respective officers, agents, consultants and employees by reason of any of the following:

- a. Any and all construction and other work related to reimbursable Improvements and other work related to Participant's project and their request for reimbursement;
- b. Any use, nonuse, possession, occupation, condition, operation, maintenance, or management of the property or area where work related to the Participant's project and the reimbursable Improvements or related activities are performed;

- c. Any negligence on the part of Participant or any of their agents, consultants, contractors, subcontractors, servants, employees, subtenants, operators, licensees, guests or invitees;
- d. Any accident, injury, or damage to any person or property occurring in, on, about or enroute to or from the property or area where the work related to Participant's project is being performed or any part thereof, whether during construction or after construction; and/or
- e. Any failure on the part of Participant to perform or comply with any of the terms, provisions, covenants, and conditions contained in this Agreement to be performed or complied with on its part.

Participants shall also indemnify and hold harmless and defend Agency and its officers, agents, consultants and employees from and against any and all claims or causes of action asserted by entities or individuals that are not a party to this Agreement regarding the validity or legality of this Agreement and the reimbursement to Participant.

#### F. Rights of Access During Construction

Representatives of the Agency and the City shall have the reasonable right of access to the site and property where any work related to Participant project and the Reimbursable Improvements are being or has been performed without charges or fees, at normal construction hours during the period of construction for the purposes of this Agreement, including, but not limited to, the inspection of the work being performed constructing the reimbursable public improvements.

#### II. DEFAULTS, REMEDIES, AND TERMINATION

#### A. <u>Defaults in General</u>

Subject to any approved extensions of time as set forth in this Agreement, failure or delay by either party to perform any term or provision of this Agreement constitutes a

default under this Agreement. The Party who so fails or delays must immediately commence to cure, correct, or remedy such failure or delay and shall complete such cure, correction, or remedy with reasonable diligence and during any period of curing shall not be in default.

The Party claiming default shall give written notice of default to the Party in default specifying the default complained of, and the injured Party may not institute proceedings against the party in default until thirty (30) days after giving such notice; said thirty (30) days constitutes the period to cure any default.

Except as otherwise expressly provided in this Agreement, any failure or delay by either party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies or deprive such party of its right to institute and maintain any action or proceeding which it may deem necessary to protect, assert, or enforce any such rights or remedies. The time to cure a default shall not commence until notice is provided.

#### B. Legal Actions

In addition to any other rights or remedies, any party may institute legal action to cure, correct, or remedy any default; to recover damages for any default; or to obtain any other remedy consistent with the purpose of this Agreement. The laws of the State of Idaho shall govern the interpretation and enforcement of this Agreement.

#### C. Rights and Remedies Are Cumulative

Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by the other party. The Agency rights and remedies retained by the Agency shall include without limitation an action for specific performance, damages or other equitable remedy and withholding payment of its funds then due under this Agreement.

#### D. Termination

If either party is in breach or default of the terms of this AGREEMENT, then upon proper notice and opportunity to cure as provided herein, the non-defaulting party may terminate this AGREEMENT. Upon such termination, non-defaulting party shall have no further liability to the other under this Agreement.

#### III. GENERAL PROVISIONS

#### A. Notices, Demands, and Communications Between the Parties

Formal notices, demands, and communications between the Agency and Participants shall be sufficiently given if dispatched by regular mail or registered or certified mail, postage prepaid, return receipt requested, to the last known address of Agency and Participants as set forth in this Agreement. Such written notices, demands, and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail.

#### B. Nonliability of Agency Officials and Employees

No member, official, consultant or employee of the Agency shall be personally liable to the Participants in the event of any default or breach by the Agency or for any amount which may become due to the Participants or for any obligations under the terms of this Agreement.

#### C. Attorney Fees and Costs

In the event that either party to this Agreement shall initiate an action to enforce any of the provisions hereof in any action at law or in equity, the non-prevailing party to such action agrees to pay to the prevailing party all costs and expenses, including reasonable attorney fees incurred therein by the prevailing party, and such may be included in the judgment entered in such action.

#### D. Severability

The provisions in this Agreement are severable. Should any one or more of the provisions of this Agreement for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Agreement, but this Agreement shall be construed and enforced as if such illegal or invalid provisions had not been contained herein.

#### E. Headings

The section headings contained herein are for convenience and reference and are not intended to define or limit the scope of any provision of this Agreement.

#### F. Counterparts

This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

#### G. <u>Dispute Resolution</u>

In the event that a dispute arises between Agency and Participants regarding the application or interpretation of any provision of this Agreement, the aggrieved party shall promptly notify the other party to this Agreement of the dispute within thirty (30) days after such dispute arises. If the Parties fail to resolve the dispute informally within thirty (30) days after delivery of such notice, the Parties agree to first endeavor to settle the dispute in an amicable manner by mediation or other process of structured negotiation under the auspices of a nationally or regionally recognized organization providing such services in the Northwestern States or otherwise, as the Parties may mutually agree before resorting to litigation. Should the Parties be unable to resolve the dispute to their mutual satisfaction within thirty (30) days or other mutually agreeable timeframe after such commencement of mediation or other process of structured negotiation, each party shall have the right to pursue any rights or remedies it may have at law or in equity.

#### Forced Delay; Extension of Times of Performance

In addition to the specific provisions of this Agreement, performance by any party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; governmental restrictions or priority; litigation; unusually severe weather; acts of another party; environmental analysis or removal of hazardous or toxic substances; acts or the failure to act of any public or governmental agency or entity; or any other causes beyond the control or without the fault of the party claiming an extension of time to perform. An extension of time for any such cause shall only be for the period of the forced delay, which period shall commence to run from the time of the commencement of the cause. Times of performance under this Agreement may also be extended in writing by the Agency and Participant.

#### I. Attachments and Exhibits Made a Part

All attachments and exhibits, including without limitation Exhibit A, which are attached to this Development Agreement are made a part hereof by this reference.

#### J. <u>Computation of Time</u>

In computing any period of time prescribed or allowed under this Agreement, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last calendar day of the period so computed shall be included unless it is a Saturday, Sunday, or a legal holiday, in which event the period runs until the end of the next day which is not a Saturday, Sunday, or legal holiday. As used herein, "legal holiday" means a legal holiday recognized by the City on which the offices of the City are closed for City business.

#### K. No Third-Party Beneficiary or Joint Venture

The provisions of this Agreement are for the exclusive benefit of Agency and Participant and their authorized successors and assigns, and not for the benefit of any third person; nor shall this Agreement be deemed to have conferred any rights, express or implied, upon any third person except for provisions expressly for the benefit of a mortgagee of Participant or its successors and assigns. The parties hereto are no partners nor are they to be considered to be engaged in any joint venture.

#### L. Good Faith and Cooperation

It is agreed by Agency and Participants that it is in their mutual best interests and in the best interests of the public that the re-development of the Property proceed and be completed as herein agreed, and, to that end, the Parties shall in all instances cooperate and act in good faith in compliance with all of the terms, covenants, and conditions of this Agreement and shall deal fairly with each other.

#### IV. AMENDMENTS TO THIS AGREEMENT

This Agreement may only be amended by mutual written agreement of the Parties hereto.

#### V. ENITRE AGREEMENT, WAIVERS, AND AMENDMENTS

This Agreement comprises the entire understanding and agreement of the Parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter thereof.

All waivers of the provision of this Agreement must be in writing and signed by the appropriate authorities of the Agency and Participant.

#### VI. TIME FOR ACCEPTANCE OF AGREEMENT BY AGENCY

The effective date of this Agreement shall be the date when this Agreement has been signed by the Agency.

#### **AGENCY**

Date: 11.08.73

EAGLE URBAN RENEWAL AGENCY

Craig Kvamme, Chairman

Attest \_\_/

EURA Secretary

#### **PARTICIPANT**

Date: 11/26/2023

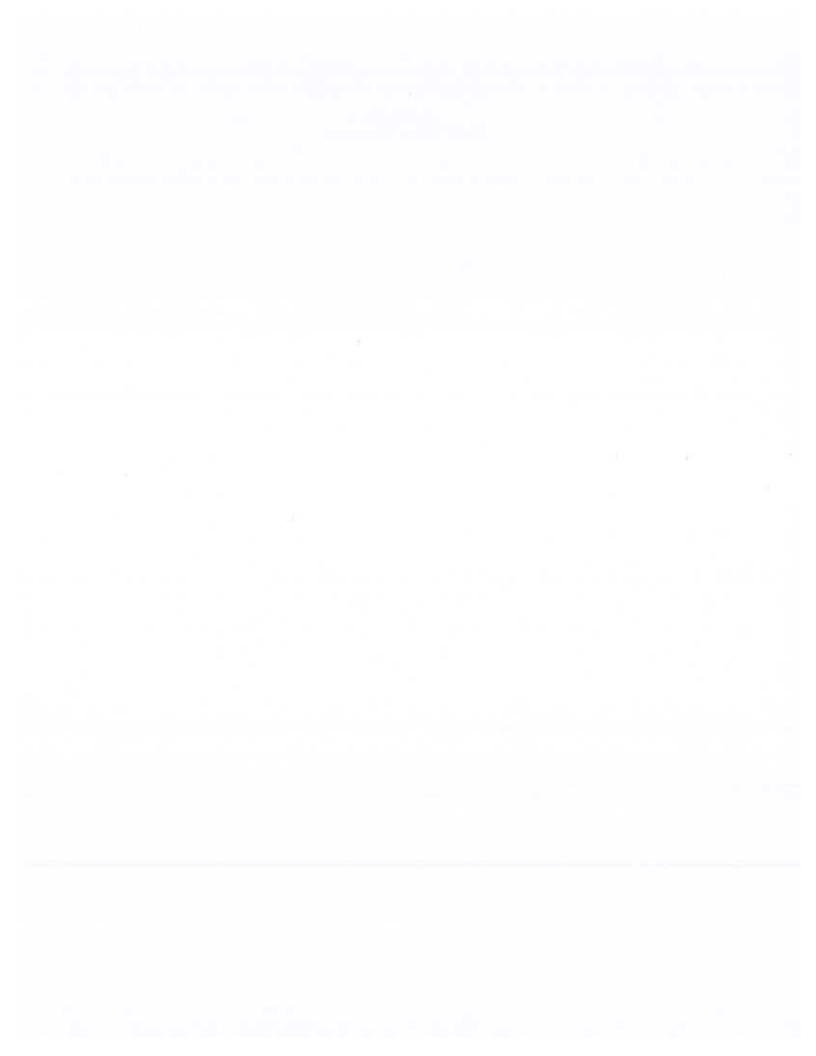
Gem State Brewing, LLC

By \_

Printed Name: Christopher McGinnis

Title: Manager / Owner

# Exhibit A Application Documents





June 9, 2023

Eagle Urban Renewal Agency (EURA) Attention: Ashley Squyres, Executive Director P.O. Box 1957 Eagle, Idaho 83616

Dear Ms. Squyres,

On behalf of our clients, we are requesting EURA funding for the unforeseen cost of extending a water main line down State Street from 2<sup>nd</sup> Street to the east side of our project site.

In addition to serving our site, the installation of this water main line has significant benefits to the neighboring properties to the west and those across the street to the north. The main line extension provides upgraded service capacity, which will allow these properties to redevelop in the future to an increased density not achievable without the extension installed under this project. For this reason, our client is requesting EURA reimbursement participation in the cost of this portion of the work. The cost of these improvements totals \$104,231.35 as shown in the included documentation. This requested funding consideration is consistent with the EURA's charge to assist development of "single lot" downtown Eagle properties.

Below we address the project reimbursement submittal requirements, project reimbursement request cost breakdown and supporting documents for consideration in your decision process.

1. Proof of ownership

The property is owned by GSB PROPERTIES LLC, Christopher McGinnis, Kristl Caron, and Michele Acuna are the registered Governors of the LLC. See Certificate of Organization (Exhibit A1) and Warranty Deed (Exhibit A2)

Legal description

See attached (Exhibit B)

- Veolia Water Main Drawing showing the extent of what was added to the project.See attached (Exhibit C1)
- Revised Utility Plan showing the added main line extension See attached (Exhibit C2)
- Cost Summary and associated back-up for the requested reimbursement amount as follows:
  - a. Exhibit E Water Main Line Cost Summary.
  - b. Exhibit E1 EKC Construction change order for added Veolia main water line extension.
  - c. Exhibit E2 Veolia Water Agreement

#### 6. Project schedule

The main line extension has been completed. The project is scheduled for completion in August 2023.

Please do not hesitate to contact me if you need additional information or have any questions regarding this request for funding.

Sincerely,

Brett G. Labrie, Principal Architect Lindgren:Labrie Architecture, PLLC







#### STATE OF IDAHO

Office of the secretary of state, Lawerence Denney CERTIFICATE OF ORGANIZATION LIMITED LIABILITY COMPANY

Idaho Secretary of State PO Box 83720 Boise, ID 83720-0080 (208) 334-2301

Filing Fee: \$100.00 - Make Checks Payable to Secretary of State

For Office Use Only

#### -FILED-

File #: 0003445531

Date Filed: 3/8/2019 7:29:07 AM

**EXHIBIT 1A** 

Limited Liability Company Name     Entity name	GSB Properties LLC
The complete street address of the principal office Principal Office Address	e is: 1237 EAGLE HILLS WAY EAGLE, ID 83616
The mailing address of the principal office is:     Mailing Address	1237 EAGLE HILLS WAY EAGLE, ID 83616-5221
4. Registered Agent Name and Address Registered Agent	Registered Agent Christopher McGinnis Physical Address: 1237 EAGLE HILLS WAY EAGLE, ID 83616 Mailing Address: 1237 EAGLE HILLS WAY EAGLE, ID 83616-5221
. Governors	
Name	Address
Christopher McGinnis	1237 EAGLE HILL WAY EAGLE, ID 83616
Kristl Caron	1237 EAGLE HILLS WAY EAGLE, ID 83616
Michele Acuna	VARGSTIGEN 1, ALMHULT, SWEDEN 34336 Sweden
Signature of Organizer:  Christopher McGinnis Sign Here	03/08/2019 Date



ADA COUNTY RECORDER Phil McGrane BOISE IDAHO Pgs=2 CHE FOWLER PIONEER TITLE COMPANY OF ADA COUNTY 2019-035127 04/30/2019 08:48 AM \$15.00

1211 W Myrtle Street, Plaza II Suite 100 Boise, ID 83702

ELECTRONICALLY RECORDED-DO NOT REMOVE THE COUNTY STAMPED FIRST PAGE AS IT IS NOW INCORPORATED AS PART OF THE ORIGINAL DOCUMENT

File No. 675700 JS/MA

**EXHIBIT 1B** 

#### WARRANTY DEED

For Value Received Big Beaver Properties L.L.C., an Idaho limited liability company hereinafter referred to as Grantor, does hereby grant, bargain, sell, warrant and convey unto

GSB Properties LLC, an Idaho Limited Liability Company

hereinafter referred to as Grantee, whose current address is The following described premises, to-wit:

See Exhibit A attached hereto and made a part hereof.

To HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee(s), and Grantees(s) heirs and assigns forever. And the said Grantor(s) does (do) hereby covenant to and with the said Grantee(s), the Grantor(s) is/are the owner(s) in fee simple of said premises; that said premises are free from all encumbrances EXCEPT those to which this conveyance is expressly made subject and those made, suffered or done by the Grantee(s); and subject to U.S. Patent reservations, restrictions, dedications, easements, rights of way and agreements, (if any) of record, and current years taxes, levies, and assessments, includes irrigation and utility assessments, (if any) which are not yet due and payable, and that Grantor(s) will warrant and defend the same from all lawful claims whatsoever.

Dated: April 25, 2019

Big Beaver-Properties LLC, an Idaho Limited Liability Company

By: Managing M

Timothy Beyer, Managing Member

State of Idaho, County of Ada

This record was acknowledged before me on Apr. 129, 2019 by Timothy Bever, as Managing

Member of Big Beaver Properties, LLC.

Signature of notary public commission Expires:

Josh Stafford Commission Expires 6-15-2023 Residing Boise, ID JOSH STAFFORD COMMISSION #32148 NOTARY PUBLIC STATE OF IDAHO

#### **EXHIBIT** A

#### PARCEL I:

Lot 4 in Block 6 of Aikens Addition of the Townsite of Eagle, according to the plat thereof, filed in Book 3 of Plats at Page 145, records of Ada County, Idaho.

#### PARCEL II:

A tract of land in the Southwest quarter of the Southwest quarter of Section 9, Township 4 North, Range 1 East, Boise Meridian, more particularly described as follows:

Beginning at the Southeast corner of Lot 4, Block 6 of Aikens Addition to Eagle, according to the plat thereof, recorded in Book 3 of Plats, Page 145, records of Ada County, Idaho; run

Thence East, on an extension of the South line of said lot 50 feet more or less, to the West line of the Tract conveyed to Idaho Power Company, recorded Book 355 of Deeds, Page 84, records of Ada County, Idaho;

Thence North along said West line to the Southerly line of State Highway No. 44;

Thence Northwesterly along the Southerly line of said highway to a point North of the PLACE OF BEGINNING; Thence South along the East line of Lot 4, Block 6 of Aikens Addition to Eagle, to the PLACE OF BEGINNING.



ADA COUNTY RECURDER PHII INCORDINE BOISE IDAHO Pgs=3 DAN RYALLS



08/05/2019 03:50 PM

#### QUITCLAIM DEED

GSB PROPERTIES LLC, an Idaho Limited Liability Company (the "Grantor") does hereby convey, release, remise and forever quitclaim unto GSB PROPERTIES LLC, an Idaho Limited Liability Company, whose current mailing address is 1237 Eagle Hills Way, Eagle, Idaho 83616 (the "Grantee"), the following described property located in Ada County, State of Idaho, described as follows, to-wit:

#### See Exhibit A attached hereto and made a part hereof.

Together with the appurtenances.

This deed is intended to convey to the Grantee all right, title, and interest of the Grantor in and to said property, now owned or hereafter acquired.

Dated August 1, 2019.

GSB PROPERTIES LLC, an Idaho Limited Liability Company

Kristl D. Calon, Managing Member

STATE OF IDAHO

SS.

County of Ada

On this day of HUGUST undersigned, a Notary Public in and for said state, personally appeared Kristl D. Caron, a Managing Member of GSB Properties LLC, an Idaho Limited Liability Company, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that s/he executed the same.

NOTARY PUBLIC for Idaho

Residing at: Eagle . Idahc

My Commission Expires: 2126



#### Exhibit A

#### June 3, 2019 Parcel A Legal Description

**BASIS OF BEARINGS** for this legal description is North 1°03′37″ East, between an aluminum cap marking the section corner common to Sections 8, 9, 16, and 17 and a brass cap marking the 1/4 corner common to Sections 8 and 9, both in T. 4 N., R. 1 E., B.M., City of Eagle, Ada County, Idaho.

A portion of Lot 4, Block 6 of Aikens Addition to the Townsite of Eagle and a parcel of land within the SW1/4 of the SW1/4 of Section 9, T. 4 N., R. 1 E., B.M., City of Eagle, Ada County, Idaho, more particularly described as follows;

 ${\bf COMMENCING}$  at an aluminum cap marking the section corner common to Sections 8, 9, 16 and 17;

Thence North  $1^{\circ}03'37''$  East, coincident with the west line of the SW1/4 of the SW1/4 of said Section 9, a distance of 1178.85 feet;

Thence South 89°26′03″ East, coincident with the centerline of E. State Street, 685.45 feet to the beginning of a tangent curve;

Thence 34.60 feet along the arc of said curve to the right, coincident with said centerline of E. State Street, with a central angle of 0°17′59″, a radius of 6611.05 feet, subtended by a chord bearing South 89°17′03″ East, 34.60 feet to the centerline of S. 2nd Street;

Thence South 1°06'28" West, coincident with said centerline of S. 2nd Street, 1.80 feet to an aluminum cap;

Thence South 43°57′48″ East, 42.34 feet to the northwest corner of Lot 1, Block 6 of Aikens Addition to the Townsite of Eagle, Book 3 of Plats, Page 143, Ada County Records, Idaho and the south right of way line of E. State Street;

Thence South 89°04′51″ East, coincident with the north line of said Block 6 of Aikens Addition to the Townsite of Eagle, and said south right of way line of E. State Street right of way, 126.30 feet;

Thence South 80°14′02″ East, coincident with said south right of way line of E. State Street, 23.97 feet to a 5/8″ rebar PLS 11574 on the west line of Lot 4, Block 6 of said Aikens Addition to the Townsite of Eagle, and the **POINT OF BEGINNING**;

Thence continuing, South 80°14′02″ East, coincident with said south right of way line of E. State Street and the north line of said Lot 4, a distance of 100.17 feet to a 5/8″ rebar PLS 11574;

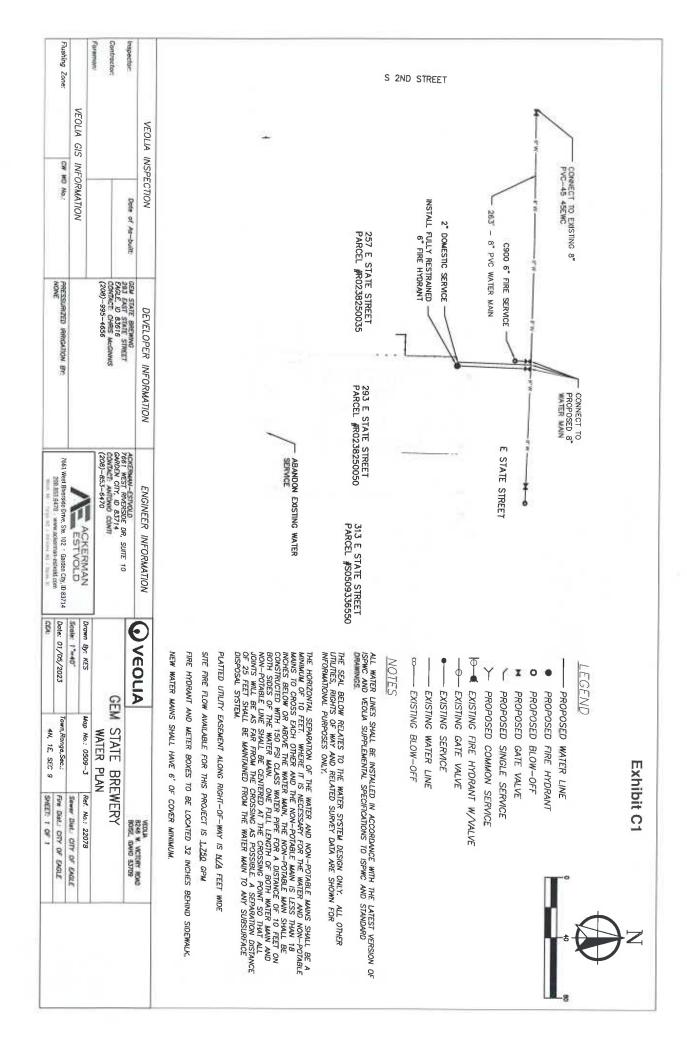
Thence South 0°49'06" West, 121.70 feet to a 5/8" rebar PLS 11574;

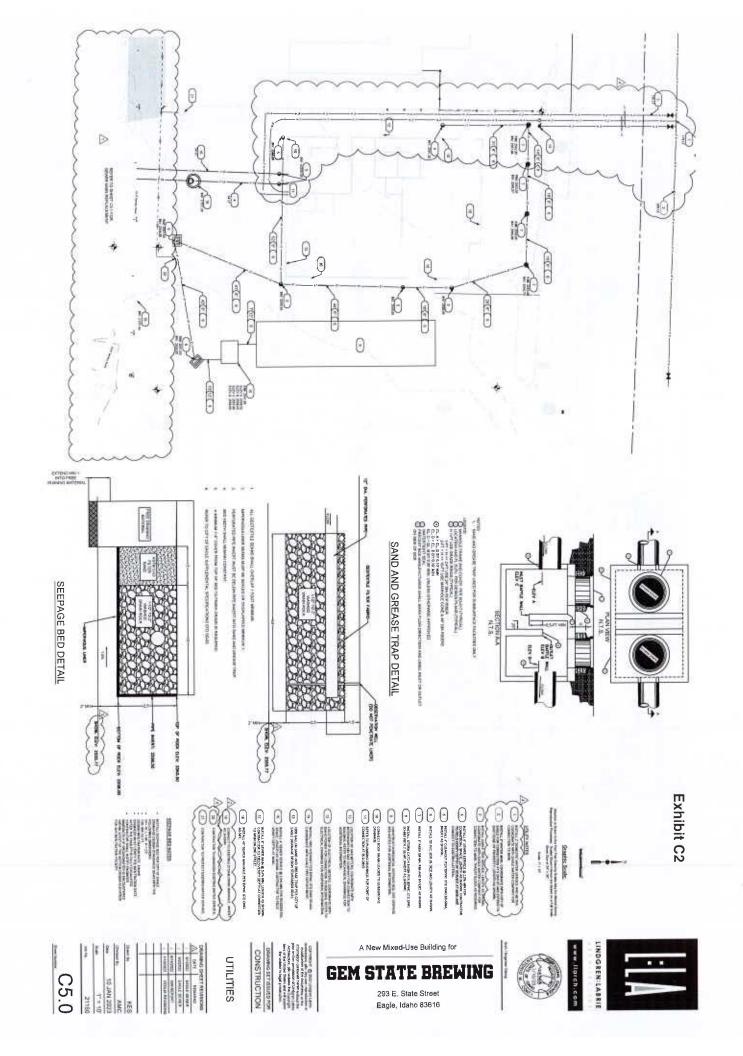
Thence North 89°11′17″ West, 99.76 feet to a 5/8″ rebar PLS 11574 marking to the southwest corner of said Lot 4;

Thence North 1°09′14″ East, coincident with the west line of said Lot 4 a distance of 137.29 feet to the **POINT OF BEGINNING.** 

The above described parcel contains 12,869 square feet more or less.







Gem State Brewing 293 East State Street Eagle, ID 83616

# Water Main Line Cost Summary

\$104,231.35	Total Cost		
\$101,030.57 -\$10,835.86 \$14,036.64	Change Order for Water Main Extension Fire Hydrant Deduct ** Veolia Water Fee	EKC Construction Granite Excavation Veolia Water	E 1
Cost	Description	Entity	Exhibit No.

<sup>\*\*</sup> This item is already Included in approved ROW improvements elegible for EURA reimbursement

# Exhibit E1 PCCO #005



EKC Construction, Inc. 250 Bobwhite Ct. Ste 100 Boise, Idaho 83706 Phone: (208) 345-8944 Project: 22-016 - Gem State Brewing 293 E State Street Eagle, Idaho 83616

# Prime Contract Change Order #005: CE #013 - ASI 06 - Veolia Service Changes

TO:	GSB Properties LLC 293 East State Street Eagle, Idaho 83616	FROM:	EKC, Inc. 250 Bobwhite Ct. Ste 100 Boise, Idaho 83706
DATE CREATED:	2/02/2023	CREATED BY:	Dan Lipsett (EKC, Inc.)
CONTRACT STATUS:	Pending - Proceeding	REVISION:	0
REQUEST RECEIVED FROM:		LOCATION:	
DESIGNATED REVIEWER		REVIEWED BY:	
DUE DATE:		REVIEW DATE:	
INVOICED DATE:		PAID DATE:	
REFERENCE:		CHANGE REASON:	Design Change
PAID IN FULL:	No	EXECUTED:	No
ACCOUNTING METHOD:	Amount Based	SCHEDULE IMPACT:	
SIGNED CHANGE ORDER RECEIVED DATE:			
FIELD CHANGE:	No	CONTRACT FOR:	1:Gem State Brewing Mixed Used Project
		TOTAL AMOUNT:	\$101,030.57

#### DESCRIPTION:

CE #013 - ASI 06 - Veolia Service Changes

Furnish and install new Violia water main along State Street and deliver service to "north property line" behind existing sidewalk. Work included in this change order is sawcut and removal of existing asphalt and sidewalk, excavation of new pipe trench and installation of water pipe, fittings, valves and hydrants in accordance with the Violia plans received on January 17, 2023. Backfill trench and provide permanent asphalt, plus replacement of existing sidewalk disturbed during installation. ACHD right-of-way permit and traffic control is also included.

This change order does not include water utility delivery to building or fire line delivery to building. This is only "off-site" work. This change order will increase the construction time necessary for this project. Added general conditions are not included and Owner and contractor agree additional general conditions will be paid through Owner Contingency. Project schedule could be extended at least three weeks by the implementation of this change. This change order does not include an erosion and sedimentation control plan included in the price. Erosion control measures (inlet protection) is included.

This does not include any direct costs from Violia, which we presume will be handled directly between GSB and Violia. We also do not include the cost of compaction testing of trench backfill or asphalt density tests. This cost is to be by GSB.

#### ATTACHMENTS:

#### CHANGE ORDER LINE ITEMS:

#	Budget Code	Description	Amount
1	33-0001.S Utilities Subcontractor.Commitment	Violia water line extension	\$60,724.68
2	33-0001.S Utilities Subcontractor.Commitment	Asphalt cutting, removal and disposal	\$0.00
3	33-0001.S Utilities Subcontractor.Commitment	Asphalt permanent patch	\$25,825.50
4	33-0001.S Utilities Subcontractor.Commitment	Traffic Control plan and signage	\$4,663.00
5	33-0001.S Utilities Subcontractor.Commitment	ACHD Right-of-way permit	\$1,275.00
6	33-0001.S Utilities Subcontractor.Commitment	Sidewalk repair/replacement	\$0.00
	01-3010.L Project Manager.Labor	Project Management	\$680.00

#### PCCO #005



#	Budget Code	Description	Amount
8	33-0001.S Utilities Subcontractor.Commitment	Erosion Controls	\$1,200.00
		Subtotal:	\$94,368.18
		General Liability Insurance (1.00% Applies to all line item types.):	\$943.68
		Fee (6.00% Applies to all line item types.):	\$5,718.71
		Grand Total:	\$101,030.57

The original (Contract Sum)	\$2,094,418.00
Net change by previously authorized Change Orders	\$676.97
The contract sum prior to this Change Order was	\$2,095,094.97
The contract sum would be changed by this Change Order in the amount of	\$101,030.57
The new contract sum including this Change Order will be	\$2,196,125.54
The contract time will not be changed by this Change Order.	

Brett Labrie (Lindgren:Labrie Architecture)

247 N. Eagle Road Eagle, Idaho 83616

Brett G Labrie (Feb 2, 2023 12:34 MST) SIGNATURE

DATE

Feb 2, 2022

**GSB Properties LLC** 

293 East State Street Eagle, Idaho 83616

Feb 35, 2021

Dan Lipsett

Boise, Idaho 83706

250 Bobwhite Ct. Ste 100

Feb 2, 2023

SIGNATURE

DATE

SIGNATURE

EKC, Inc.

DATE



23 Warm Lake Hwy Cascade, ID 83611 225 Wooddale Ave, Ste 115 Eagle, ID 83616 graniteexcavation.com 208-382-4188

То:	EKC Construction	Contact:	Dan Lipsett
Address:	Boise, ID	Phone:	(208) 345-8944
		Fax:	
Project Name:	Gem State Brewery Veolia Only	Bid Number:	1
<b>Project Location:</b>	Eagle	Bid Date:	2/1/2023

Item #	Item Description	Estimated Quantity Unit	Unit Price	Total Price
1 General				
1	Mobilization	1.00 LS	\$5,231.36	\$5,231.36
2	Traffic Control (By Others)	0.00 LS	\$0.00	\$0.00
3	Quality Control (By Others)	0.00 LS	\$0.00	\$0.00
4	SWPPP (By Others)	0.00 LS	\$0.00	\$0.00
		Total Price for above 1	General Items:	\$5,231.36
2 Water				
5	Connect To Existing Water Main	1.00 EACH	\$7,672.35	\$7,672.35
6	8" Water Main	263.00 LF	\$76.17	\$20,032.71
7	Fittings & Gate Valves	1.00 LS	\$3,093.93	\$3,093.93
8	Fire Hydrants	1.00 EACH	\$10,835.86	\$10,835.86
9	6" Fire Service W/ Temp Blowoff	1.00 EACH	\$6,123.55	\$6,123.55
10	2" Water Service	1.00 EACH	\$5,650.67	\$5,650.67
11	Blow Offs	1.00 EACH	\$2,084.25	\$2,084.25
12	Type "P" Surface Restoration	1,350.00 SF	\$19.13	\$25,825.50
	,	Total Price for above	2 Water Items:	\$81,318.82
		Total Price fo	or above Items:	\$86,550.18

Total Bid Price: \$86,550.18

#### Notes:

- Above shown pricing doesn't included Performance & Payment Bonds, please add 1.5% to total price if needed.
- Catch Basins are excluded in above shown pricing.
- Concrete collars are excluded in above shown pricing.
- Dewatering is excluded in above shown pricing.
- Above shown prices do not include permits.
- Pipe material pricing is good from referenced bid date for 30 days. After 30 days prices may vary
- Rock Excavation is excluded in above shown pricing.
- Price does not include any scope of work not specifically called out on the above shown bid schedule.
- Survey is excluded in above shown pricing.
- Above pricing is contingent on agreed upon schedule between Granite Excavation & the GC/Owner.
- Above pricing does not include remove and reset fence
- Above pricing does not include any drops to maintain potable/ non-potable separation.
- Above pricing does not include weekend or night work costs.
- Above pricing does not include moratorium road repair. Granite's will perform normal type p repair. If full road 20' wide patches and/or CDF are
  required a change order will be issued.
- Above pricing for type p includes 1' of road mix for a road section. If ACHD increases the type p section a change order will be issued.
- Above pricing includes all native backfill. If ACHD says native is not suitable a change order will be issued.
- · Quality Control Testing is excluded in above shown pricing.

- Survey is excluded in above shown pricing.
- SWPPP is excluded in above shown pricing.
  Above pricing does not include VEOLIA Water Fees. Fees are to be paid directly to VEOLIA by the Owner.
  Traffic Control is excluded in above shown pricing.

#### **Payment Terms:**

Progress billing will be submitted by the 25th of each month. Payment is due by the 10th of the following month.

ACCEPTED:	CONFIRMED:
The above prices, specifications and conditions are satisfactory and are hereby accepted.	Granite Excavation Inc
Buyer:	
Signature:	Authorized Signature:
Date of Acceptance:	Estimator: Teryn Irby
	(208) 571-1846 teryn@graniteexcavation.com



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EIN # 20-8122260: DUNS # 19-710-7550: Contractor License # RCE-20560

Oregon Construction Registration #178588

#### QUOTATION

Estimator:	Daniel Kircher					Pag	je 1
Project:	Gem State Br	ewery		Bid	Date:		1/19/2023
ITEM	QUANTITY	UNITS	DESCRIPTION	UN	IT PRICE		TOTAL
	1	ls	Mobilization & Design	\$	2,200.00	\$	2,200.00
	3	week	Road Closure and Detour	\$	821.00	\$	2,463.00
					TOTAL	\$	4,663.00

<sup>\*</sup> Quantities are estimates only - unit price prevails.

<sup>\*</sup> Bid bond not included in price - if required, add 2.5% to overall quote total.

<sup>\*</sup> Prices quoted include sales or use tax.

<sup>\*</sup> Totals and average prices are shown for your convenience. Our invoice will reflect the unit prices for the actual quantities required and furnished.

<sup>\*</sup> Does not include light towers.

<sup>\*</sup> Prices are based on furnishing all of the material on this quotation. Prices on individual items may be negotiated.

<sup>\*</sup> Quantities are based on our take off and are not guaranteed.

<sup>\*</sup> Above prices quoted for acceptance within 30 days and apply to this project only.

# GSB CO 05 Violia Water Line Off-Site

Final Audit Report

2023-02-15

Created:

2023-02-02

By:

Dan Lipsett (dan@ekcconstruction.com)

Status:

Signed

Transaction ID:

CBJCHBCAABAAlpQE1ZVCyjUZSxbyycZpYhglf-i5uJqz

### "GSB CO 05 Violia Water Line Off-Site" History

- Document created by Dan Lipsett (dan@ekcconstruction.com) 2023-02-02 6:28:16 PM GMT- IP address: 69.92.42.58
- Ocument e-signed by Dan Lipsett (dan@ekcconstruction.com)
  Signature Date: 2023-02-02 6:28:50 PM GMT Time Source: server- IP address: 69,92.42.58
- Document emailed to blabrie@Il-arch.com for signature 2023-02-02 6:28:51 PM GMT
- Email viewed by blabrie@ll-arch.com 2023-02-02 7:31:50 PM GMT- IP address: 74.125,209.55
- Signer blabrie@Il-arch.com entered name at signing as Brett G Labrie 2023-02-02 7;34:40 PM GMT- IP address: 160.3.200.135
- Document e-signed by Brett G Labrie (blabrie@ll-arch.com)

  Signature Date: 2023-02-02 7:34:42 PM GMT Time Source; server- IP address: 160.3.200.135
- Document emailed to chris@gemstatebrewing.com for signature 2023-02-02 7:34:44 PM GMT
- Email viewed by chris@gemstatebrewing.com 2023-02-02 7:34:54 PM GMT- IP address: 65.102.72,224
- Email viewed by chris@gemstatebrewing.com 2023-02-15 4:38:13 PM GMT- IP address: 104.28.85.156
- Signer chris@gemstatebrewing.com entered name at signing as Chris McGinnis 2023-02-15 4:44:08 PM GMT- IP address: 65.102.72.224



Agreement completed. 2023-02-15 - 4:44:10 PM GMT

CEA No. C23D306

AGREEMENT between VEOLIA WATER IDAHO, INC. hereinafter called the "Company" and GSB PROPERTIES, LLC at 293 E. State St., Eagle, ID 83616 hereinafter called the "Applicant".

WHEREAS, the Applicant has applied to the Company for an extension to its mains as follows:

#### NONREFUNDABLE COST(S):

Installation of 863' of 8" Main	\$	35,020.67
Installation of 2-8" Gate Valves	\$	3,093.93
Installation of 1-2" Commercial Service	\$	5,650.67
Installation of 1-6" Fire Service	\$	6,123.55
Installation of 1-6' Veolia Fire Hydrant	\$	10,835.86
VEOLIA Labor and Overheads	\$	14,036.64
Total Opinion of Probable Contributed Cost	S	74,761.32
Total VEOLIA Cost	\$	14,036.64

\$ 60,724.68 to be paid to Contractor, \$ 14,036.64 to be paid to VEOLIA WATER IDAHO, INC.

WHEREAS, the Company has agreed to such extension upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, THE PARTIES HERETO AGREE AS FOLLOWS:

#### A. GENERALLY

- 1. For the purposes of this agreement, a bona fide customer shall mean any person(s), firm, Company, corporation, association, governmental unit or owner of property as guarantor furnished water service of a permanent nature by the Company; and the term "Extension" shall mean the water mains and appurtenances and service laterals as shown on the attached plan excluding fire hydrants.
- 2. The term of this Agreement shall be for ten (10) years from the date hereof.
- 3. The Applicant agrees to provide all easements and rights of way, which the Company considers necessary either from the Applicant or from third persons, as the case may be, to assure the legal feasibility of the Extension, without cost to the Company.
- 4. The applicant's right to receive monies from off-site connections is personal to the Applicant and unassignable either as collateral security or otherwise.

- 5. This Extension shall be made in accordance with the rules and regulations, and specifications of the Company and subject to the approval of the Company, which approvals will not be unreasonably withheld.
- B. WHERE THE APPLICANT HAS ASKED THE COMPANY TO PERFORM THE EXTENSION This space intentionally left blank.

# C. WHERE THE APPLICANT HIRES A THIRD PARTY CONTRACTOR TO PERFORM THE EXTENSION

- 1. Applicant hereby applies to the Company for the said Extension of its system, and the Company agrees to allow said Extension upon the terms and conditions hereinafter set forth and in accordance with its Rules and Regulations.
- 2. The Applicant hereby agrees that it will hire only those contractors that have been approved by the Company and that it will require all such contractors to comply with the Labor and Materials In-Lieu-of-Cash Contractors Rules for Performance and Conduct, annexed hereto and made a part hereof as exhibit A. The Applicant further agrees that it will require its contractor to comply, via its contract with contractor, with all terms and conditions set forth herein.
- 32/100 Dollars(\$74,761.32) will be the cost of installing the said "on-site" Extension as described above including overhead cost to the Company such as supervision, engineering, accounting and legal expenses. Any difference between the actual and the amount contributed shall be shown as a revision of the amount of contribution and shall be payable within thirty (30) days of submission. The actual cost thus finally determined shall be referred to as the "contributed cost of on-site facilities". If it is necessary to adjust the amount of Applicant's contribution, in accordance with the terms of this Paragraph, a supplemental memorandum will be prepared setting forth the "contributed cost of on-site facilities" and shall be attached hereto and made a part hereof.
- 4. The Company estimates that **Zero and 00/100 Dollars (\$-0-)** will be the cost of installing the said "off-site" Extension as described above including overhead cost to the Company such as supervision, engineering, accounting and legal expenses. Any difference between the actual and the amount contributed shall be shown as a revision of the amount of contribution and shall be payable within thirty (30) days of submission. The actual cost thus finally determined shall be referred to as the "contributed cost of off-site facilities". If it is necessary to adjust the amount of Applicant's contribution, in accordance with the terms of this Paragraph, a supplemental memorandum will be prepared setting forth the "contributed cost of off-site facilities" and shall be attached hereto and made a part hereof.
- 5. The Applicant agrees to advance to the Company, simultaneously with the execution of this Agreement, the sum of <u>Fourteen thousand thirty-six and 64/100 Dollars(14,036.64)</u> which represents the cost of the Company's overhead fees, tax associated cost and such items as inspection and testing. Such amount shall be subject to reconciliation after all such costs are known and the difference shall be either refunded to or collected from the Applicant.

- 6. The installation shall be subject to the Company's inspection, testing and acceptance, however, absence of such inspection or testing by the Company shall not relieve the Applicant of any of its obligations. The Company shall require the Applicant and the Applicant's contractor (via its contract with the Applicant) to warrant the work in accordance with Paragraph 15 below. The Company shall further require the Applicant and the Applicant's contractor (via its contract with the Applicant) to maintain insurance as follows:
  - a) Worker's Compensation with Statutory limits and any applicable Federal (e.g., Longshoremen's), and Employer's Liability of \$100,000.
  - b) General Liability, Comprehensive Form (including Premises-Operations; Independent Contractors' Protective; Products and Completed Operations; Broad Form Property Damage; Blanket Contractual Liability, Personal Injury with Employment Exclusion deleted) with the following limits and endorsements:
    - (i) Bodily Injury & Property Damage: Single-Limit \$1,000,000
    - (ii) Products and Completed Operations to be maintained for <u>two (2)</u> year(s) after final payment.
    - (iii) Property Damage Liability Insurance shall provide X, C and U coverage.
    - (iv) Railroad Protective Liability Coverage as applicable with \$5,000,000 aggregate limit.
  - c) Comprehensive Automobile Liability: Bodily Injury & Property Damage: Single-Limit \$1,000,000
  - d) Umbrella Excess Liability: \$5,000,000 over primary insurance

The Company shall be named as an additional insured on all policies except Workers' Compensation. All Certificates of Insurance shall include a thirty (30) day notice provision for cancellation or material change in coverage, except ten (10) days notice for non-payment of premium.

- 7. The amount of said "contributed cost for <u>on-site</u>" facilities shall be booked as a contribution in aid of construction.
- 8. The amount of said "contributed cost for <u>off-site</u> mains" shall be booked as a contribution in aid of construction. However, an applicant for service for which the service lateral (including laterals to a fire hydrant(s)) will be directly connected to said <u>off-site</u> main Extension within ten (10) years of the date of this Agreement shall deposit with the Company one half the cost per front foot of the main Extension times the Applicant(s) total front footage. The cost per front foot shall be the actual cost of the <u>off-site</u> main Extension divided by the total serviceable footage. This deposit will be forwarded to the Applicant without interest within thirty (30) days of receipt by the Company.
- 9. The total monies forwarded to the Applicant shall not exceed the amount of "contributed cost of off-site mains" as described in Paragraph 8, above. All future customers whose service lateral connects directly to the said "off-site main(s)" after ten (10) years from the date of this

Agreement shall not be subject to the deposit described in Paragraph 8 nor shall the Applicant be entitled or receive any reimbursement after ten (10) years from the date of this Agreement.

- 10. It is further understood and agreed by and between the parties hereto that the Company's agreement to allow construction of the said Extension is subject to the Applicant and/or its contractor obtaining all necessary consents, orders, permits and approvals of public officers or public bodies having jurisdiction over or lawful interest in any of the subject matters herein, with the exception of special permits, such as state highway and railroad permits, which the Company is required to obtain. In the event that the Company, after prompt application and diligent effort, is unable to obtain any such special permit, or in the event that the Company is enjoined or prevented by lawful action of any such public officer or official body from constructing the said Extension, the Company's sole obligation will be to repay to Applicant the said sum **Twelve thousand six hundred thirty-two and 98/100 Dollars (\$12,632.98).** This amount shall be the difference between the amount advanced and estimated expenses incurred by the Company in conjunction with the main Extension and appurtenances which are the subject of this Agreement.
- 11. It is further mutually understood and agreed that the mains and appurtenances within the limits of the street, avenues, roads, ways or easement areas, whether or not attached to or serving customers but constructed as part of the Extension shall be and remain the property of the Company, its successors and assigns. The Company shall have the right to extend any main installed pursuant to the terms of this Agreement in or to other lands, streets, or avenues without incurring any liability to Applicant whatsoever.
- 12. The Applicant shall require the Contractor to use its best efforts to commence and carry to completion as soon as possible the installation of said Extension, having in mind however, delays which may be occasioned by weather, acts of God or the public enemy, strikes or other matters not within its control.
- 13. Applicant agrees that before the commencement of work by the contractor, he or his contractor will clearly indicate upon the ground by means of stakes or in some other equally positive manner the exact lines and grades to which the street, highway, or land in which the said water pipes are to be laid is to be finally built and that he or his contractor will grade the said street, highway, or land so that it will be at all points within less than one (1') foot of the above finished grades before the contractor commences the work of installing the said water pipes. The Applicant also agrees to require his contractor to stake the exact location and grade of all meter settings. The contractor, however, shall not lay its pipes according to lines or grades which have not been approved. And it is agreed that in case of any time, prior to the dedication and acceptance as a public street or highway by the municipality of any street or highway under which water mains are laid in conformity with this Agreement it shall become necessary to change or move the said pipes or their appurtenances by reason of any change or alteration in the lines or grades of the street, highway, or land in which they are laid, then the expense of such change or moving of said pipes and their appurtenances, and any other expense incidental thereto, shall be borne by Applicant.
- 14. It is agreed by Applicant that he will not build or have his contractor build, at any time hereafter on, in or over the said easement any structure, the construction or presence of which will endanger or render ineffective or difficult of access the water pipes or appurtenances of the Company, or lay or have laid other pipes or conduits within two (2') feet, measured horizontally,

from the said water pipe except pipes crossing same at right angles in which latter case a minimum vertical distance of eighteen (18") inches shall be maintained between the pipes. No excavation or blasting shall be carried on which in any way endangers the said water pipes. Provided, however, that should the Applicant wish to do so he may at his own expense provide a new location acceptable to the Company for the said water pipes and the Company will then move said water pipes and appurtenances to the new location. The cost of moving and altering and any expenses incident thereto, shall be borne by the Applicant. It is further understood and agreed that in case of any damage by Applicant or his contractor or caused by the negligence of Applicant or his contractor to the water pipes or their appurtenances, or other injuries to the property of the Company in connection therewith, these facilities will be repaired and brought to proper grade by the Company or Company's contractor at Applicant's expense.

- 15. The Applicant shall have its contractor warrant that the work performed in installing the main and appurtenances is free of any defect of equipment, material or workmanship. Such shall continue for a period of two (2) years from completion and approval of the Extension or within such longer period of time as may be prescribed by law. Pursuant to the warranty, the Applicant's contractor, under Company supervision, shall remedy at his own expense any such failure to conform or any such defect upon receipt of written notice from the Company within a reasonable time after the discovery of any failure, defect or damage. In addition, during the aforesaid warranty period, the contractor shall remedy at his own expense, under Company supervision, any damage to real or personal property, when that damage is the result of any such defect of equipment, material or workmanship installed by the contractor. The warranty with respect to work repaired or replaced hereunder will run for a period of one year from the date of such repair or replacement or shall run for the remainder of the original two year period, whichever is greater. During the warranty periods as defined herein, the contractor shall reimburse the Company for the costs of any emergency repairs undertaken by the Company to maintain the system in good working order. Without limiting any other provision herein contained, these warranty provisions shall be incorporated in Applicant's contract with contractor. If contractor fails to reimburse the Company as set forth in this Paragraph, within forty-five (45) days of the Company's request for such reimbursement, then the Applicant hereby agrees that it will do so.
- 16 If the Applicant's contractor, for any reason, should fail to commence installation within sixty (60) days of this Agreement, the Company shall have the right to terminate this Agreement.

authorized officers this Third	hereto have caused these presents to be signed by their d day of March 2023.
	COMPANY
	VEOLIA WATER IDAHO, INC
ATTEST:	Ву
	Its
	APPLICANT
	GSB PROPERTIES, LLC
ATTEST:	By Clark
Vrigtl Caron	Its Managing Partner / Owner GSB Properties

#### **EXHIBIT A**

#### Labor and Materials In-Lieu-of-Cash Contractors Rules for Performance and Conduct

The following provide the rules for performance and conduct for contractors performing work on water mains, services and appurtenances in water systems owned by VEOLIA and those for which it provides contract operations. It is understood that any approved contractor that performs within the guidelines of the specifications and the rules delineated below, will remain on the approval list of contractors and be allowed to bid on developer funded projects. It is also understood that contractors who fail to meet these specifications and rules will be removed from the list.

The rules for performance and conduct fall under six subdivisions, Safety, Materials, Conduct, Contract Violations, Insurance and Unpaid Debits to VEOLIA. Aside from and in addition to any right to remove a contractor as granted by law and aside from and in addition to any provision relating to removal or termination in any contract executed between the parties, removal of a contractor from the approved list of contractors will occur if any of the following occur.

#### SAFETY:

- The contractor's Worker's Compensation Experience Modification Factor is above 1.25.
- In VEOLIA sole but reasonable discretion, the contractor has operated under **unsafe working conditions** 1<sup>st</sup> time results in a warning, 2<sup>nd</sup> time results in removal of the contractor from the approved list.
- In VEOLIA sole but reasonable discretion, the contractor is operating under **life threatening working conditions** will result in immediate termination of the contractor from current project and removal of the contractor from the approved list.

#### **MATERIALS:**

• The contractor installs non-approved materials in a project  $-1^{st}$  time results in a warning,  $2^{nd}$  time results in removal of the contractor from the approved list.

#### CONDUCT:

- Refusal to perform as required by the VEOLIA inspector, contractor is subject to termination from current project and removal of the contractor from the approved list.
- Proceeding with project without 48-hour notice  $-1^{st}$  time results in a warning,  $2^{nd}$  time results in removal of the contractor from the approved list.

#### RULES FOR PERFORMANCE AND CONDUCT - 1

- The abuse of language or hostile behavior toward VEOLIA employees, public agency representatives and/or the general public 1<sup>st</sup> time will, in VEOLIA sole but reasonable discretion, result in immediate termination of the offending employee from current and future VEOLIA projects, 2<sup>nd</sup> time results in removal of the contractor from the approved list.
- Failure to deliver as-built drawings and service tickets will result in non-acceptance of project.

#### **CONTRACT VIOLATIONS:**

• Failure to comply with any provision of the contract between VEOLIA and the contractor.

#### **INSURANCE:**

• Contractor is required to maintain insurance levels as specified. No work shall be authorized if current coverage does not meet specified limits.

#### **UNPAID DEBTS:**

 All debts owed to VEOLIA by the contractor shall be due and payable on a 30-day basis. If the contractor fails to make timely payment, VEOLIA may remove the contractor from the list of approved contractors.

Each contractor must require that any subcontractor comply with the requirements outlined herein, and each contractor must include appropriate provisions, which set forth all of the above Rules for Performance and Conduct in each of its contracts with subcontractors working on the Project.

#### REVIEW AND REINSTATEMENT

VEOLIA will conduct annual reviews of existing contractors, new contractors and the reinstatement of former contractors on an annual basis in December. Warnings will remain in effect for 12 months. Any contractor removed from the list of approved contractors, as delineated above, will remain off of the list for a minimum of 12 months prior to consideration for reinstatement.