**This contract is provided for assistance only. It does not constitute legal advice and is not a substitute for the Grantee’s independent legal obligations. If Grantee has any question about its legal responsibilities, it should seek the advice of a licensed attorney.**

**Construction Contract for Small Projects**

This agreement is made by and between \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Contractor) and

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(Owner).

WITNESSETH:

The Owner does hereby employ the Contractor to do all the work and provide all the materials, tools, machinery and supervision necessary for the construction of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

at\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. (Project location)

for the total sum of **$\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.**

The Contractor shall commence the work by**\_\_\_\_\_\_\_\_\_\_\_** and shall complete the work by \_\_\_\_\_\_\_\_\_\_\_\_

CONTRACT DOCUMENTS: Contract Documents consist of the following:

1. This Construction Contract
2. Specifications / Scope of Work
3. Drawings
4. Performance Bond, if required
5. Payment Bond, if required
6. CDBG Supplemental General Conditions
7. Federal Labor Standards Provisions, HUD-4010
8. General Wage Decision – \_\_\_\_\_\_\_\_\_ dated \_\_\_\_\_\_\_\_\_ – Davis-Bacon Wage Rates

1. DAVIS-BACON AND RELATED ACTS. Requires workers to receive no less than the prevailing wages as computed by the USDOL and issued in the form of federal wage decisions for each classification of work. The law applies to construction, alteration or repair contracts over $2,000 aggregate. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Part 1, 3, and 5 are herein incorporated by reference in this contract.

2. HOLD HARMLESS. Contractor shall agree to defend, indemnify, and hold harmless the Owner and the Idaho Department of Commerce from liability and claim for damages because of bodily injury, death, property damage, sickness, disease or less and expense arising from Contractor’s Performance under this agreement to install or construct housing rehabilitation to be paid for out of the proceeds of the Owner’s rehabilitation loan. Contractor is acting in the capacity of an independent Contractor with respect to the Owner.

3. LIEN WAIVERS. Contractor agrees to protect, defend, and indemnify Owner from any claims for unpaid work, labor, or materials with respect to Contractor’s Performance. Final payment shall not be due until the Contractor has delivered to the Owner complete release of all liens for work completed arising out of Contractor’s Performance or a receipt in full covering all labor and materials for which a lien could be filed or a bond satisfactory to the Owner indemnifying him against any lien.

4. GENERAL WARRANTY. The Contractor shall remedy any defect due to faulty material or workmanship and pay for any damage to other work resulting therefrom which shall appear within the period of one year from final payments. Further, the Contractor will furnish Owner with all manufacturers and supplier’s written guarantees and warranties covering materials and equipment furnished under this Contract.

5. CONTRACT AMOUNT AND PAYMENT SCHEDULE. Payments will be subject to the Owner’s acceptance of work done. The Owner agrees to make payments to the Contractor within twenty-one days of approving work.

6. CHANGE ORDERS. Owner and Contractor expressly agree that no material changes or alterations in the description of work or price provided above shall be made unless in writing and mutually agreed to by both parties and authorized by the Owner.

7. PERMITS AND CODES. Contractor agrees to secure and pay for all necessary permits and licenses required for Contractor’s Performance and to adhere to applicable local codes and requirements whether or not covered by the specifications and drawings for the work, including any Contractor registration requirements.

8. SCOPE OF WORK. Contractor acknowledges that it has prepared the Contractor’s Proposal and that such proposal is accurate and consistent as to the name of Contractor, scope of work that the Contractor will undertake, and price. Contractor acknowledges the performance requirement established in the write up and warrants that all work undertaken will conform to said specifications.

9. SUBCONTRACTORS. Contractor agrees that all the warranties contained herein shall apply to all work performed under the Contract, including that performed by any Subcontractors. The Contractor shall be responsible for the compliance of all provisions within this contract for all subcontractors or lower tier subcontractors.

10. RESOLUTION OF DISPUTES. All claims or disputes between the Owners and Contractor arising out of or related to the work shall be decided by arbitration in accordance with the construction industry arbitration rules of the American Arbitration Association then obtaining, unless the parties mutually agree otherwise. The Owner and Contractor shall submit all disputes or claims, regardless of the extent of the work’s progress, to the American Arbitration Association/Better Business Bureau unless the parties mutually agree otherwise. Notice of the demand for arbitration shall be filed in writing with the other party to this Agreement, and shall be made within a reasonable time after the dispute has arisen. The award rendered by the arbitration shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof. If the arbitrator’s award is in a sum which is less than that which was offered in settlement by the Contractor, the arbitrator may award costs and attorney’s fees in favor of the Contractor. If the award of the arbitrator is in a sum greater than that which was offered in settlement by the Owner, the arbitrator may award costs and attorney’s fees in favor of the Owner.

11. PROHIBITION OF KICKBACKS. The price or prices quoted are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

12. INSPECTION OF WORK. All materials and workmanship will be subject to inspection, examination, and test, by the owner or representative, who will have the right to reject defective material and workmanship or require its correction.

13. CLEANING UP. The contractor shall keep the premises free from accumulation of waste material and rubbish and at the completion of the work shall remove from the premises all rubbish, implements and surplus materials and leave the construction site clean.

14. ASBESTOS CONTAINING MATERIAL

* For any building renovation or demolition suspected asbestos containing material should be tested for asbestos.
* The removal or management of asbestos containing material shall be in compliance with federal and state laws, including the National Emission Standards for Hazardous Air Pollutants (NESHAP) and OSHA’s Occupational Exposure to Asbestos Standards.

15. CONTRACT TERMINATION, DEBARMENT. A breach of the labor standards clauses in this contract may be grounds for termination of the contract and for debarment as a Contractor and a subcontractor as provided in 29 CFR 5.12.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

CONTRACTOR OWNER

BY: BY:

Contractor Official’s Signature

Title Title

Date Date