EXHIBIT A
DESIGN-BUILD CONTRACT

THIS DESIGN-BUILD CONTRACT (the "Contract") is made and entered into this _____ day of _____, 2011, by and between the City of Las Vegas, a municipal corporation in the State of Nevada (the "Owner") and M & H Enterprises, Inc. DBA Martin-Harris Construction (a corporation organized and existing under the laws of the State of Nevada), (the "Design-Build Team".)

WITNESSETH:

WHEREAS, the Design-Build Team, having submitted a Design-Build Proposal to the Owner for the design and construction of the project commonly known and referred to as "Solar Covered Parking, Phase II – Bid Lot D Project", RFP No. (10.15341.12-DC)"; and PWP #CL-2011-80; and

WHEREAS, the City Council, after due consideration of the submitted proposals, awarded a contract to the Design-Build Team for both the design and construction of the Project in the maximum amount set forth below.

NOW, THEREFORE, in consideration of the above, the parties hereto agree to the following:

1. PROJECT DESCRIPTION. The Project consists of the design and construction of Project #10.15341.DC, Solar Covered Parking, Phase II - Bid Lot D, which is fully set forth and described in the Bridge Documents (defined in the General Conditions attached hereto).

2. DESIGN AND CONSTRUCTION COVENANT.

a) In General. The Design-Build Team hereby covenants and agrees to furnish the design of the Project in accordance with all professional architectural and engineering principles generally accepted as standards of the profession in the State and shall construct the Project as designed, free from defects and deficiencies, all in compliance with the requirements of the Contract. The Design-Build Team shall be responsible for performing and completing, and for causing all of its Subconsultants and Subcontractors to perform and complete the requirements set forth in the Contract and all applicable laws. The Design-Build Team covenants and warrants that the design and construction of the Project, and the materials incorporated therein, shall meet the performance requirements of the Owner as described in the Contract. The Design-Build Team shall assume overall responsibility for ensuring that the design and construction of the public work is completed in a satisfactory manner.

b) Project Design. The Design-Build Team shall use the key personnel of the design firm or firms identified in the Proposal to provide the professional design services (architectural and engineering services) necessary for the preparation of the Construction Documents for the Project. The Design-Build Team shall be responsible for all errors, omissions, inconsistencies or other deficiencies in the design of the Project and in the Construction Documents. The Construction Documents shall be prepared by qualified architects, engineers and other professionals, selected and paid for by the Design-Build Team and duly licensed in the state of Nevada.

c) Project Construction. The Design-Build Team shall furnish all labor, materials, equipment, transportation and other services necessary for construction of the Project (including, without limitation, the site work, structures, utilities and landscaping) in accordance with the Construction Documents approved by the Owner and other applicable requirements of the Contract. The Design-Build Team hereby covenants and agrees to undertake and complete the Work (defined in the General Conditions attached hereto) in a good, substantial and workmanlike manner in compliance with the Contract.

3. CONTRACT AMOUNT. For performance of the Work, the Owner agrees to pay the Design-Build Team the following maximum amount for the Work required by this Contract, excluding any amount related to costs that may be incurred as a result of unexpected conditions or occurrences as authorized by the contract: $2,742,178.97 (the "Contract Amount"). The maximum amount to be paid for the performance of the professional design services required by the Contract is $108,281.39 (which is included in the Contract Amount).

4. DOCUMENT INCORPORATION. The Contract consists of this three (3) page document and the following documents incorporated herein by this reference as a part hereof:

a) Design-Build Contract, Exhibit "A" attached hereto
   i. Design-Build Proposal
   ii. Cost Proposal Schedule
   iii. Resumes for Key Personnel
   iv. Subconsultant and Subcontractor List
   v. Certificate – Disclosure of Ownership
b) General Conditions, Exhibit "B" attached hereto
c) Bridging Specifications, dated February 4, 2010, Exhibit "C" (Provided electronically)
d) Plans, Exhibit "D" (Provided electronically)
e) Addenda No.1, dated November 24, 2010
   Addenda No.2, dated January 13, 2011
f) Prevailing Wage Rates, Exhibit "E" attached hereto
g) Federal Wage Rates, Exhibit "F" attached hereto
h) Special Requirements, Exhibit "G" attached hereto

5. COMMENCEMENT AND COMPLETION DEADLINE. Time is of the essence in the performance and completion of this Contract. The Design-Build Team shall commence the Work on the date set by the Owner in the Design Notice to Proceed, and shall complete all work required by the Contract on **December 1, 2011.**

6. LIQUIDATED DAMAGES. Liquidated Damages are provided for in Section 6 of the General Conditions in the amount of **$1,500.00 per day** for each calendar day the completion of the Work is delayed beyond the completion deadline, or Owner approved extensions thereof.

7. CONSEQUENTIAL DAMAGES. This contract includes multiple locations with site-specific mandatory completion dates and associated Consequential Damages as detailed in General Conditions, Section 6.02, Owner's Recovery of Consequential Damages. Consequential Damages are independent of liquidated damages. The location-specific completion dates and associated Consequential Damages are as follows:

Location	Mandatory Interim Substantial Completion Date*	Consequential Damages
Centennial Hills Community Center	August 31, 2011	$216,000.00
	September 01, 2011	$281,460.00
Lorenzi Park	August 11, 2011	$150,000.00
	September 01, 2011	$180,600.00
Fire Station #5	December 01, 2011	$150,000.00
Centennial Hills Park	December 01, 2011	$150,000.00
Rainbow Family Park, South Lot	September 01, 2011	$143,740.00

* **NOTE:** For locations that have two Mandatory Interim Substantial Completion dates, two independent Consequential Damages may be assessed. If the Design-Build Team fails to achieve Mandatory Interim Substantial Completion and/or fails to submit all necessary paper work detailed in the Bridging Documents by the first Mandatory Interim Substantial Completion Date, the initial Consequential Damage will be applicable. If the Design-Build Team fails to achieve Mandatory Interim Substantial Completion and/or fails to submit all necessary paper work detailed in the Bridging Documents by the second Mandatory Interim Substantial Completion Date, the Second Consequential Damage will also apply.

8. NOTICES. Any notice required to be given under the Contract shall be deemed to have been given when the notice is (i) delivered personally, or (ii) sent by facsimile machine and delivered by regular mail or certified mail, addressed as follows:

To the Owner:	City of Las Vegas Manager, Purchasing & Contracts Division City Hall, First Floor 400 Stewart Avenue Las Vegas, NV 89101-2986
To the Design-Build Team:	M & H Enterprises, Inc. DBA Martin-Harris Construction Ray C. Newmiller, Vice President 3030 S. Highland Drive Las Vegas, NV 89109 Fax: (702) 474-8115

Any change in the addresses stated above shall be made in writing and delivered in the manner provided herein. In the event of suspension or termination of the Contract, notice may also be given upon personal delivery to any person whose action or knowledge of such suspension or termination would be sufficient notice to the Design-Build Team.

IN WITNESS WHEREOF, the Owner and the Design-Build Team have made and executed this Agreement on the day and year first above written.

OWNER

By: _____
KATHLEEN C. RAINEY, Manager
Purchasing and Contracts Division

ATTEST:

_____
BEVERLY K. BRIDGES, MMC
City Clerk

APPROVED AS TO FORM:

John S. Riddle 2/14/11
Deputy City Attorney Date

DESIGN-BUILD TEAM:

By: _____
M & H Enterprises, Inc. DBA Martin-Harris Construction

COST PROPOSAL SCHEDULE

COST PROPOSAL	LUMP SUM AMOUNT
Item # 1 - **Design** of the Solar Covered Parking Phase II, Bid Lot D Project in accordance with RFP No. 10.15341.12-DC Documents.	$ 108,281.39
Item # 2 - **Construction** of the Solar Covered Parking Phase II, Bid Lot D Project in accordance with RFP No. 10.15341.12-DC Documents.	$ 2,797,046.03
Accepted Alternates (see below)	$ (163,148.45)
Total Proposal Amount	$ 2,742,178.97

ACCEPTED ALTERNATES

ALTERNATE NO. 1 – ¼ CANTILEVER SOLAR CANOPIES	DEDUCTIVE AMOUNT
PROVIDE ¼ CANTILEVER SOLAR CANOPIES	$ (103,049.00)

ALTERNATE NO. 2 – ZINCALUME DECKING AT SOLAR CARPORTS	DEDUCTIVE AMOUNT
PROVIDE ZINCALUME DECKING IN LIEU OF KYNAR FINISH	$ (35,789.44)

ALTERNATE NO. 3 – PROVIDE 6" TRIM IN LIEU OF 12" TRIM	DEDUCTIVE AMOUNT
PROVIDE 6 INCH TRIM IN LIEU OF 12 INCH TRIM PER RFP	$ (6,170.59)

ALTERNATE NO. 4 – PROVIDE CANOPY LIGHT FIXTURE	DEDUCTIVE AMOUNT
PROVIDE CANOPY LIGHT FIXTURE PKG – EDG-5S-DM	$ (6,220.60)

ALTERNATE NO. 5 – SUBSTITUTE SMA INVERTER W/CHAINLINK ENCLOSURE & LID (FIRE STATION NO. 5 ONLY)	DEDUCTIVE AMOUNT
PROVIDE SMA INVERTER W/CHAINLINK ENCLOSURE & LID	$ (11,918.82)

EXHIBIT B
GENERAL CONDITIONS

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2.02 Responsibility for Site Conditions and Geotechnical Information
2.03 Responsibility for the Security of the Work and Project Site
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2.07 Responsibility for Construction Procedures
2.08 Responsibility for Substitution of Team Members, Key Personnel, Subconsultants, and Subcontractors
2.09 Responsibility for Employment of Competent Superintendent
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SECTION 1. DEFINITIONS

The following definitions shall apply to the Contract:

"Addendum" means any written or graphic instrument issued by the Owner via the City of Las Vegas Purchasing and Contracts Office prior to the submission of Proposals which modifies or interprets the RFP Documents by means of an addition, deletion, clarification, correction or other type of modification.

"Adverse Weather" means the climatic conditions that affect the critical path of the Work and prohibit it from being safely or effectively performed as scheduled using normal and customary protective measures.

"Bridge Documents" means the initial documents provided by the Owner to the Design-Build Team which describe the aesthetic and functional requirements of the Project and includes without limitation, the following schematic documents: site plans, demolition plans, grading plans, utility plans, floor plans, elevations, sections, details, window/door schedules, ceiling/lighting plans, roofing plans, interiors, planting plans, electrical/plumbing/mechanical information, geotechnical evaluations, asbestos survey and abatement specifications, fire line analysis, irrigation line analysis, technical drainage studies, and related specifications. The Bridge Documents will be used by the Design-Build Team to prepare the final stamped plans, specifications and related contract documents for the Project.

"Change Directive" means any written order from the Owner directing immediate changes in the Work for which a modification to the Contract Amount, Contract Time or other provision of the Contract may be appropriate but may not have been negotiated at the time of issuance. The Design-Build Team is to proceed immediately with the implementation of the Change Directive.

"Change Order" means any written order to the Design-Build Team signed by the Owner and Design-Build Team issued after execution of the Contract that authorizes a change in the Work, Contract Amount or Contract Time. Except as allowed by the Contract Documents, the Contract Amount or Contract Time may be changed only by the issuance of a Change Order. The execution of the Change Order indicates the Design-Build Team's agreement to the terms set forth therein including the adjustment, if any, in the Contract Amount or Contract Time.

"Consultant" means the consulting firm contracted by the Owner to assume some or all of the responsibilities of the Owner for administration of the Contract.

"Contract" means the entire agreement between the parties as set forth in the Contract Documents which does not come into legal existence until execution of the Design-Build Contract by the Owner.

"Contract Amount" means the compensation to be paid the Design-Build Team to perform the Work and is included in the "Contract Amount" section of the Design-Build Contract.

"Contract Documents" means the Design-Build Contract, including all incorporated documents.

"Contract Time" means the number of days set forth in Section 6 of the Design-Build Contract (Contract Time) for achieving Substantial Completion of the Work, including the authorized extensions thereto, which commences to start with the date set forth in the Notice to Proceed.

"Critical Path" means the path through the project schedule indicating the minimum time in which it is possible to complete the Work, and the tasks that, if delayed, will delay Substantial Completion of the Work."

"Critical Path Method" means the method of developing a network analysis system as outlined in "CPM in Construction Management" by James J. O'Brien and Freddie L. Plotnick (McGraw-Hill, Inc., 5th Edition).

"Date of Substantial Completion" means the date established and certified by the Owner when construction is sufficiently complete, in accordance with the Contract Documents, so the Owner can occupy or utilize the Work, or designated portion thereof, for the purpose for which it is intended.

"Day" means a calendar day unless otherwise specifically designated.

"Design-Build Team" ("Team")means an entity that consists of at least one person who is licensed as a general engineering contractor or a general building contractor pursuant to chapter 624 of NRS; and at least one person who

holds a certificate of registration to practice architecture pursuant to chapter 623 of NRS. Design-Build Team shall have the same meaning as defined in Nevada Revised Statute 338.

"Designated Representative" means the person authorized pursuant to Section 3.01 (Designated Representative) of the General Conditions to act or make decisions on behalf of the Owner.

"Drawings" mean the diagrammatic representations of the requirements for construction of the Work prepared by the Design-Build Team and approved by the Owner subsequent to the execution of the Contract.

"Final Completion" means the satisfactory completion of all of the Work under the Contract. Final Completion occurs only after the Design-Build Team complies with the requirements of Section 5.03 (Final Inspection and Final Completion of the Work) of the General Conditions and the Owner approves final payment to the Design-Build Team.

"Modification" means (i) any Addendum pertaining to the Contract, (ii) a Change Order, (iii) a written interpretation, (iv) a written order issued by the Owner for a minor change in the Work, or (v) a written amendment to the Contract signed by both parties.

"Notice of Award" means the letter issued by the Owner notifying the Design-Build Team of the award of the Project by the City Council, authorizing the Design-Build Team to proceed with the procurement of the bonds and insurance, and including the Design-Build Contract for execution and return to the Owner.

"Notice to Proceed" means the document issued by the Owner that (i) establishes the date the Design-Build Team is authorized to commence activity, and (ii) commences the running of the Contract Time.

"Owner" means the City of Las Vegas and is referred throughout the Contract as if singular in number and neuter in gender. The term includes the Owner's Designated Representative identified in Section 3.01 (Designated Representative) of the Contract.

"Product Data" means the illustrations, standard schedules, performance charts, instructions brochures, diagrams and any other information furnished by the Design-Build Team to illustrate a material, product or system for some portion of the Work.

"Project" means the total design and construction of which the Work performed under the Contract may be the whole or a part thereof and which may include construction by the Owner or by others hired by the Owner.

"Promptly" means without delay and on time.

"Proposal" means the written document submitted by the Design-Build Team in response to the Owner's Request for Final Proposals.

"Reasonable Time" means ten (10) business days, except where otherwise specified, or unless City Council action is required.

"RFP Documents" means the documents comprising the Request for Final Proposals for the Design-Build of the Solar Covered Parking, Phase II – Bid Lot D Project (RFP No. 10.15341.12-DC) and includes the following documents: Request For Final Proposal, Instructions (together with Proposal forms) and the Design/Build Contract and documents incorporated therein.

"Samples" mean the physical examples that illustrate the materials, equipment or workmanship, to be used by the Design-Build Team and that establish standards for the judgment of the Work.

"Shop Drawings" mean the drawings, diagrams, schedules and other data specially prepared for the Work by the Design-Build Team or any Subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Work.

"Subcontractor" means any individual or entity who is sublet any part of the Work by the Design-Build Team. There is no contractual relationship between the Owner and the Subcontractor who performs work or services for the Design-Build Team.

"Submittal" means the item required by the Contract to be provided to the Owner for information, review, or approval as indicated. Unless otherwise specifically indicated, Submittals are not a part of the construction and do not become part of the Contract Documents. Schedules, Shop Drawings, Product Data, and Samples are typical examples of a Submittal.

"Substantial Completion" means the point in time when, in the opinion of the Owner, construction is sufficiently complete, in accordance with the Contract, that the Owner can occupy or utilize the Work, or designated portion thereof, for the intended use of the Project. This is not necessarily final acceptance of the Project or any portion thereof. A Certificate of Substantial Completion shall be issued by the Owner establishing the Date of Substantial Completion and noting any incomplete or unacceptable portions of the Work that must be completed or corrected prior to final acceptance of the Work. The date of such Certificate shall commence the running of the warranty periods required by the Contract Documents for the completed portions of the Work, except as otherwise provided in the Contract Documents or Certificate of Substantial Completion.

"Technical Specifications" means the written descriptions of the requirements for the Work prepared by the Design-Build Team and approved by the Owner subsequent to the execution of the Contract.

"Work" means the construction and services required by the Contract, whether completed or partially completed, and includes the labor, materials, equipment and services provided or to be provided by the Design-Build Team to fulfill his obligations under the Contract. The Work may constitute the whole or a part of the Project.

SECTION 2. DESIGN-BUILD TEAM'S RIGHTS AND RESPONSIBILITIES

Section 2.01 Designated Representative

The Design-Build Team's Designated Representative with respect to the Contract is . The Designated Representative shall have complete authority to transmit instructions, receive information, interpret and define the policies of the Design-Build Team and to make other decisions on the part of the Design-Build Team. Following the issuance of the Notice to Proceed, the Designated Representative may perform any review, communications, notices or other act required on the part of the Design-Build Team.

Section 2.02 Responsibility for Site Conditions and Geotechnical Information

The Design-Build Team awarded this Contract, shall be responsible for investigating the surface and subsurface conditions of the Work site, and for rendering the same suitable for the completion of the Project. The Design-Build Team agrees to retain the services of a geotechnical consultant who shall conduct an investigation of the Work site including, but not limited to, test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, ground corrosion and resistively tests and necessary operations for anticipating subsoil conditions. The services of geotechnical engineer(s) or other consultants shall include preparation and submission of all appropriate reports and professional recommendations to Design-Build Team. Such reports and recommendations shall promptly be made available to the Owner. The Design-Build Team retains responsibility for the engineering design and construction associated with the preparation and excavation of the Work site and the construction of foundations necessary to complete the Project according to the Contract.

Section 2.03 Responsibility for the Security of the Work and Project Site

The Design-Build Team is responsible at all times for the Work and for the Project site regardless of whether or not the Owner has required any insurance coverages (such as Builder Risk Insurance) which would have protected the interest of the Design-Build Team and the Owner. The Design-Build Team shall conduct its operations under the Contract in a manner so as to avoid the risk of damage, injury, loss or theft by any means (including acts of God, vandalism or sabotage) to the Work or to the property of the Design-Build Team, Owner or any other person. The Design-Build Team shall promptly take such reasonable precautions, which are necessary and adequate against any and all conditions involving such risk of damage, injury, loss or theft. The Design-Build Team shall continuously inspect the Work (including the materials and equipment used in connection therewith) to discover and determine if any such conditions exists and shall be solely responsible for correcting such conditions.

The Design-Build Team shall cooperate with the Owner on all security matters and shall promptly comply with any security requirements established by the Owner. Such compliance with these security requirements shall not relieve the Design-Build Team of its responsibility for maintaining proper security for the above-noted items, nor shall it be construed as limiting in any manner the Design-Build Team's obligation to undertake such reasonable action as may be required to

establish and maintain secure conditions at the Work site. The Design-Build Team shall prepare and maintain accurate reports of incidents of loss, theft or vandalism and shall furnish these reports to the Owner in a timely manner.

Section 2.04 Responsibility for Protecting Adjacent Areas

Unless otherwise specifically provided in the Contract, the Design-Build Team shall not perform the Work in a manner that would disrupt or otherwise interfere with the operation of any pipeline, telephone line, electric transmission line, ditch or other structure which may be on or adjacent to the Work site, or enter upon lands in their natural state until approved by the Owner. Thereafter, and before it begins the Work, the Design-Build Team shall give due notice to the Owner of its intention to start the Work. The Design-Build Team shall not be entitled to an increase in the Contract Time, or extra compensation on account of any postponement, interference or delay of the Work caused by such line, ditch or structure.

The Design-Build Team shall preserve and protect cultivated areas and planted vegetation (such as trees, plants, shrubs and grass) on or adjacent to the Work site that the Owner has determined does not unreasonably interfere with the performance of the Work (including the operation of equipment or stockpiling of materials) and shall repair or restore any damage thereto.

Section 2.05 Responsibility for Construction Safety

The Design-Build Team shall be solely and completely responsible for providing safe conditions at the Project Site to assure the protection of employees and other persons present thereon, and any property affected by the performance of the Work. Prior to the Notice to Proceed, the Design-Build Team shall submit its Safety Management Program setting forth the safety precautions and procedures to be in effect at the Project Site. The Design-Build Team shall comply with all of the requirements set forth in the Safety Management Program, which is incorporated herein by this reference. Each Subcontractor shall agree in writing to comply with the requirements of the Safety Management Program prior to performing any portion of the Work.

An employee of the Design-Build Team shall be designated the person who shall be responsible for the safety conditions at the Project Site. Such designated person shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the Work.

The Design-Build Team shall comply with all applicable laws, ordinances, rules, regulations and lawful orders of any public authority bearing on the safety of persons or property or their protection from damage, injury or loss. Any Hazardous Substance encountered at the Project Site shall be handled in accordance with applicable laws, ordinances, rules and regulations governing such substance.

Section 2.06 Responsibility for Clean-Up of the Work Site

The Design-Build Team shall, at all times, keep the work area in a neat, clean and safe condition. Upon completion of any portion of the Work, the Design-Build Team shall promptly remove all of its equipment, temporary structures and surplus materials not to be used at or near the same location during later stages of work. Upon completion of the Work and before final payment is made, the Design-Build Team shall, at its expense, dispose of all unnecessary vegetation, structures, rubbish, unused materials, and other equipment and materials belonging to it or used in the performance of the Work to the satisfaction of the Owner in accordance with all applicable federal, state, and local laws, ordinances and codes. The Design-Build Team shall leave the premises and Work site in a neat, clean, and safe condition. In the event of the failure to comply with the aforegoing, the Owner may satisfy the requirements of this Section at the Design-Build Team's expense.

Section 2.07 Responsibility for Construction Procedures

The Design-Build Team shall supervise and direct the Work using its best skill and attention. The Design-Build Team shall be solely responsible for the design, construction means, methods, techniques, sequences and procedures and for coordinating all portions of the Work under the Contract.

The Design-Build Team shall not be relieved from its obligations to perform the Work in accordance with the Contract either by the activities or duties of the Owner in the administration of the Contract, or by inspections, tests or approvals required or performed by persons other than the Design-Build Team.

Section 2.08 Responsibility for Substitution of Team Members, Key Personnel, Subconsultants, and Subcontractors

The Design-Build Team shall have no substitutions in their Team Members, Key Personnel, and Named Subconsultants or Subcontractors without the Owner's prior written consent.

Section 2.09 Responsibility for Employment of Competent Superintendent

The Design-Build Team shall employ a competent Superintendent dedicated full time to supervise and direct the Work. The Superintendent shall be present at the progress meetings and during the entire progress of the Work. The Superintendent shall effectively communicate with the Owner and shall have a thorough understanding of the Work and the Contract. The Design-Build Team shall designate a Superintendent who is acceptable to the Owner. Any substitution of the Superintendent is strongly discouraged and will be permitted only after a written request for such substitution has been made and approved by the Owner. The Owner shall submit any requests for substitution of the Superintendent, in writing, stating the reason for such request. Approval of a substitution request by either party shall not be unreasonably denied.

Section 2.10 Responsibility for Uncovering and Correcting the Work

If any portion of the Work has been covered contrary to the request of the Owner or contrary to the requirements stated in the Contract, the Design-Build Team shall, if requested by the Owner, uncover for observation and, if unacceptable, shall be replaced and recovered at the Design-Build Team's expense without any adjustment to the Contract Time.

If any portion of the Work has been covered which the Owner has not specifically requested to observe prior to being covered, the Design-Build Team shall, if requested by the Owner, uncover for observation and, if unacceptable, shall be replaced and recovered at the Design-Build Team's expense without any adjustment to the Contract Time. If the uncovered Work is in compliance with the requirements of the Contract, the cost to recover shall be paid by the Owner.

Section 2.11 Responsibility for Permits and Fees

Unless otherwise provided in the Contract Documents to be the responsibility of the Owner, the Design-Build Team shall secure all the necessary permits and pay the required license and inspection fees associated therewith, which are necessary for the proper execution and completion of the Work.

Section 2.12 Responsibility for Record Documents

The Design-Build Team shall keep a marked-up, up-to-date set of the Progress Record Documents subject to the provisions of Section 01700 of the Bridging Documents. The Progress Record Documents shall depict the as-built conditions of the Work as they occur during the course of construction as an accurate record of the deviations between the Work as designed and the Work as installed.

Section 2.13 Responsibility for Substitutions of Materials, Products or Services

a. Criteria. The Design-Build Team may propose the substitution of any material, product or service in lieu of that required or specified by brand name or trade name under the Contract subject to the requirements set forth herein. Any material, product or service manufactured by a company other than the one specified, or is brand name, model number or generic species other than what is specified, will be considered a substitution.

Prior to proposing the substitution, the Design-Build Team shall determine whether or not (i) the proposed material, product or service is, in fact, equal to that specified after considering the ease of operation, maintenance, repairs, appearance, longevity and any other pertinent factors and (ii) the substitution will result in a cost savings, reduced construction time or similar demonstrable benefit to the Owner. A substitution will not be permitted where the material or product is intended to match others in use, accommodate artistic design, specific function or economy of maintenance.

b. Procedure. The Design-Build Team shall, within 10 days after award of the Contract submit to the Owner a written request for the substitution accompanied by drawings, samples, test data, certificates and any other pertinent documentation which will permit the Owner to make a fair and equitable decision concerning the proposed substitution. If the Design-Build Team fails to submit the written request within the specified time, the substitution will not be allowed. If

the substitution is acceptable to the Owner, a written authorization will be provided to the Design-Build Team. No substitution will be allowed which will result in an increase in the Contract Amount.

c. Burden of Proof. The burden of proof in establishing the equality of the proposed substitution shall be upon the Design-Build Team. Approval of a substitution shall not relieve the Design-Build Team from responsibility for compliance with the other requirements of the Contract. The Design-Build Team shall bear the expense for any changes in other parts of the Work caused by the substitution. The submission of a substitution incurs no obligation on the part of the Owner to accept or construe the proposed substitution to be an equal to that specified under the Contract. The Owner will be the sole judge of whether or not the substitution is equal in quality, utility and economy to that specified under the Contract. The Owner will have a reasonable amount of time to review each request for substitution.

d. Required Certificates. The substituted material, product or service shall be supported, by proper certification from the governmental agencies having jurisdiction over its use in the Work.

Section 2.14 Responsibility for the Delivery and Storage of Materials and Equipment

The Design-Build Team shall receive, unload, store in a secure place, and deliver from storage to the Work site all materials and equipment required for the performance of the Contract. The storage facilities and methods of storing shall meet with the Owner's approval. Any materials and equipment subject to degradation by exposure shall be stored in a suitable enclosure provided by the Design-Build Team.

Section 2.15 Responsibility for Emergencies

When emergencies affecting or threatening the safety of any person or property occur, the Design-Build Team shall immediately act with diligence to prevent injury to such person, or damage or loss to such property. If the Design-Build Team should fail to act, the Owner may, but is not obligated to, act immediately to prevent injury to such person, or damage or loss to property, whichever may be endangered by the emergency by whatever means or method the Owner deems appropriate, including, but not limited to, the use of other Design-Build Teams, the Owner's own forces, and the Design-Build Team's on-site equipment and materials, in which case, the Design-Build Team shall pay the Owner for any such expenses incurred as provided in Section 10.05 (Owner's Right to Perform the Work).

Section 2.16 Responsibility for Payment of Subcontractor and Other Parties

The Design-Build Team is responsible for paying each Subcontractor and Subconsultant performing any portion of the Work, and other parties providing labor, material or supplies in connection with the Work in a timely manner.

Section 2.17 Responsibility for Schedule of Values

The Design-Build Team, if so requested by the Owner, shall provide the Owner with a Schedule of Values allocated to various portions of the Work. The Schedule of Values shall be formed and supported by such data and information, acceptable to the Owner.

Each line item of the Schedule of Values shall contain no more than reasonable and attributable costs applicable to the line item. The Design-Build Team shall warrant the Schedule of Values to be reliable and accurate, and documents used in the preparation thereof shall be available for review by the Owner.

SECTION 3. OWNER'S RIGHTS AND RESPONSIBILITIES

Section 3.01 Designated Representative

The Owner's Designated Representative with respect to the Contract shall have complete authority to transmit instructions, receive information, interpret and define the policies of the Owner and to make other decisions on the part of the Owner. Following the issuance of the Notice to Proceed, the Designated Representative may perform any review, communications, notices or other act required on the part of the Owner.

The Designated Representative shall not have any authority to change or interpret the Contract or Contract Documents, whether orally or in writing. Any ambiguity between the parties that require interpretation of the Contract or Contract Documents shall be resolved by written submission of a Request for Information by the Design-Build Team. Any request for a change to the Contract or Contract Documents shall be resolved by written submission of a Change Order request

by the Design-Build Team. The Contact or Contact Documents shall not be changed without written confirmation from the Owner.

Communications from the Owner's Representative may be verbal or written. Any verbal instruction or directive by the Owner's Representative to the Design-Build Team that changes either the Contract Amount or Contract Time or that changes either the Contract or the Contract Documents shall not be valid unless confirmed in writing and acknowledged and accepted by the Owner 1) within five working days or 2) when the work that is subject to the verbal directive commences, whichever is earlier. Absent written confirmation of the Owner's Representative's verbal instruction to the Design-Build Team, the parties agree that there is a strong presumption that no such verbal directive was ever given.

Section 3.02 Right to Perform or Award Separate Contracts for Portions of the Work

a. Coordination. The Owner reserves the right to perform portions of the Work related to the Project with its own forces or to award a separate contract or contracts for portions of the Work under the same or similar conditions of the Contract. The Owner will provide for the coordination of the activities by its own forces and that of each separate Design-Build Team with the Work of the Design-Build Team. The Design-Build Team shall participate with the Owner and the other separate Design-Build Teams in reviewing their construction schedules when so directed by the Owner.

b. Revisions to the Guaranteed Project Schedule. The Design-Build Team shall make the revisions to the Guaranteed Project Schedule deemed necessary after a joint review and mutual agreement. The Guaranteed Project Schedule as revised shall then constitute the schedule to be used by the Design-Build Team. If the activities by the Owner or the other Design-Build Teams are completed within the time reflected in the Guaranteed Project Schedule as revised or an extension is granted in the Contract Time, the Design-Build Team shall be precluded from asserting any claim for delay or additional expenses resulting from the Owner exercising its rights granted herein.

c. Storage of Equipment and Materials. The Design-Build Team shall afford the Owner and any separate Contractor reasonable opportunity for introduction and storage of their materials and equipment and performance of their activities, and shall connect and coordinate the Design-Build Team's construction and operations with theirs as required by the Contract.

d. Reporting of Separate Contractor Deficiencies. If part of the Work depends on the proper execution of construction or operations by the Owner or a separate Contractor, the Design-Build Team shall, prior to proceeding with the Work and each portion thereof, promptly report to the Owner any apparent discrepancies or defects in such other construction or operations that would render the Work unsuitable for proper execution by the Design-Build Team. The Design-Build Team's failure to report such discrepancy or defect shall constitute an acknowledgment that the Owner's or separate Contractor's completed or partially completed construction or operations is fit and proper for the Design-Build Team to proceed with the Work, except as to defects not then reasonably discoverable.

e. Delays and Damages to Separate Contractors. The Design-Build Team shall defend, indemnify and hold the Owner harmless pursuant to the provisions of Section 9.01 (General Indemnity) of the General Conditions for each claim asserted by a separate Contractor for delay, improperly timed activity, defective construction or damage to the work of the separate Contractor which is caused by the Design-Build Team. The Design-Build Team agrees to make no claim of cost or damages against the Owner for any delay, improperly timed activity, defective construction or damage to the Work of the Design-Build Team which is caused (i) by the Design-Build Team, or (ii) by a separate Contractor unless such Contractor is under contract to the Owner, or to a general Contractor of the Owner.

f. The Owner shall pay each claim of cost incurred by the Design-Build Team arising from the delay, improperly timed activity, defective construction or damage to the Work caused by a separate Contractor acting under the direction or control of the Owner, or under the direction and control of a general Contractor of the Owner, provided such claim meet the requirements contained in Section 01200 (Price and Payment Procedures) of the Bridging Documents.

The failure of either party to pay the costs as required herein shall entitle the other party to file a claim pursuant to Section 12 (Disputes between the Parties) of the Contract.

g. Repair of Damages. The Design-Build Team shall promptly repair any damage caused by the Design-Build Team to the work of a separate Contractor or to any property of the Owner or other property owner if so requested and permitted by the injured party. Such repair shall be in lieu of the payment of monetary damages to the injured party.

Section 3.03 Right to Perform Additional Work Within or Near the Project Site

The Owner reserves the right at any time to contract with another Contractor whose work may occur within or near the site of the Project. In such event, the Design-Build Team agrees not to interfere with or hinder the progress of work by the other Contractor, and the Owner agrees to require such Contractor to coordinate its work with that of the Design-Build Team. The Design-Build Team agrees to cooperate and coordinate with such Contractor as directed by the Owner.

The Design-Build Team shall arrange the Work and shall place and dispose of the materials being used so as not to interfere with the operations of other Contractors within the limits of the same Project. The Design-Build Team shall join the Work with that of the other Contractor in an acceptable manner and shall perform it in proper sequence to that of the other Contractor.

Section 3.04 Progress Meetings

The Owner shall chair the progress meetings between the parties to the Contract that shall include a representative from each major subcontractor if so requested by the Owner. The Owner shall take notes of the progress meeting and shall distribute copies to each party within five (5) days after completion of the meeting. The conference notes shall summarize decisions made at the meeting and reflect the weekly job progress in comparison to the Guaranteed Project Schedule. The attendees are responsible for remembering their own required action and the conference notes shall serve only as a reminder and record of the required action.

Section 3.05 Right of Suspension

The Owner may, without cause, order the Design-Build Team in writing to suspend, delay or interrupt the Work, in whole or in part, for such period of time as determined by the Owner. An adjustment shall be made for the increase in the cost of performing the Contract (excluding therefrom any profit to the Design-Build Team), on the increased cost of performance caused by the suspension, delay, or interruption.
No adjustment shall be made to the extent that:

i. The performance is, was or would have been so suspended, delayed or interrupted by another cause for which the Design-Build Team is responsible; or
ii. An equitable adjustment is made or denied under another provision of the Contract Documents, or
iii. The Design-Build Team could have mitigated the increase in cost to perform the Contract.

Section 3.06 Right of Termination for Convenience

Prior to, or during the performance of the Work, the Owner reserves the right to terminate the Contract in whole or in part, for any reason whatsoever (including, but not necessarily limited to, funding limitations). Upon such an occurrence the Owner will immediately notify the design professional and the Design-Build Team in writing specifying the effective termination date of the Contract.

After receipt of the Notice of Termination, the Design-Build Team shall immediately proceed with the following obligations, regardless of any delay in determining or adjusting any amounts due at the point in the Contract:

i. Stop all construction;
ii. Place no further orders for materials or services;
iii. Terminate all subcontracts;
iv. Cancel all material and equipment orders as applicable; and
v. Take whatever action is necessary to protect and preserve all property related to this Contract, which is in the possession of the Design-Build Team.

Within 180 days of the date of the Notice of Termination, the Design-Build Team shall submit a final termination settlement proposal to the Owner based upon costs up to the date of termination, including reasonable profit as allowed by the Contract Documents on completed Work, and reasonable demobilization costs as allowed by the Contract Documents. If the Design-Build Team fails to submit the proposal within the time allowed, the Owner may determine the amount due to the Design-Build Team because of the termination and shall pay the determined amount to the Design-Build Team.

Section 3.07 Owner's Right to Replace Subcontractor or Subconsultant

The Owner shall have the right to require that the Design-Build Team replace any Subcontractor or Subconsultant at any time and for any reason by requesting such change in writing in accordance with the provisions of NRS 338.141.

SECTION 4. CONTRACT COMMENCEMENT, PROGRESS AND COMPLETION

Section 4.01 Notice to Proceed

After receipt of all required post-Proposal submittals, the Owner will issue the Notice to Proceed. The Design-Build Team shall not commence activities on the Project prior to the date specified in the Notice to Proceed.

Section 4.02 Guaranteed Project Schedule

Within the time provided in Section 01330 of the Bridging Documents, the Design-Build Team shall submit the Guaranteed Project Schedule for the Work, which shall contain the appropriate milestones by which the Owner can judge and determine the progress thereof.

Section 4.03 Progress of the Work

The Design-Build Team shall provide sufficient labor, materials, facilities, and equipment and shall work such hours, including night shifts, overtime operations, Saturdays, Sundays and holidays, as may be necessary to insure the prosecution and completion of the Work or separable portions thereof, in accordance with the Guaranteed Project Schedule.

If the progress of the Work falls behind or fails to proceed in accordance with the Guaranteed Project Schedule, or it becomes apparent to the Owner from the current schedule that the Work will not be substantially complete within the Contract Time (as adjusted by Owner approved Change Orders), in addition to the other requirements of the Contract and remedies available to the Owner, the Design-Build Team agrees to take the following actions at no additional cost to the Owner to correct such tardiness:

i. Increase manpower in such quantities and crafts as will substantially eliminate, in the judgment of the Owner, the backlog of Work;
ii. Increase the number of working hours per shift, shifts per working day, working days per week, the amount of equipment, or any combination of the foregoing, sufficient to substantially eliminate, in the judgment of the Owner, the backlog of Work; and,
iii. Reschedule activities to achieve maximum practical concurrence of accomplishment of activities.

The failure of the Design-Build Team to comply with the requirements of this Section or to remedy the tardiness shall be grounds for a determination by the Owner that the Design-Build Team is failing to diligently prosecute the Work, in which case the Owner may, after the notice of the breach has been provided to the Design-Build Team pursuant to Section 10.01 (Definition of Breach) of the Contract, without prejudice to other remedies the Owner may have and regardless of whether the Design-Build Team has taken or is taking corrective action, immediately correct the Design-Build Team's failure at the Design-Build Team's expense by exercising the right to perform and carry out the work as provided in Section 10.05 (Owner's Right to Perform the Work) including the use of the Owner's work forces, to award separate contracts, to supplement the Design-Build Team's work forces, to prepare or have prepared schedules which shall be used to determine the provisions of the Contract to withhold actual and anticipated liquidated damages and consequential damages, and any other means the Owner deems appropriate.

Section 4.04 Contract Time

Time is of the essence in the performance and completion of this Contract. The Design-Build Team shall commence the Work on the date set by the Owner in the Notice to Proceed, and shall achieve Substantial Completion of the Work within the Contract Time.

Section 4.05 Progress Payments and Retainage

a. **Progress Bills and Payments**. The Design-Build Team may submit a monthly progress bill requesting payment for the Work performed to-date after measuring the Work and estimating its value based upon the unit prices contained in the Contract or the approved Schedule of Values. The progress bill must be submitted by the deadline

established by the Owner and must be accompanied by photographs of the Work completed to date and other supporting documentation (such as material receipts and storage verifications). The quantities and value estimates must have the concurrence of the Owner. As permitted pursuant to Section 10.06 (Deduction from Progress Payments) of the Contract and NRS Chapter 338, the Owner may withhold from the progress payment an amount that is sufficient to protect the Owner for the Design-Build Team's failure to comply with the requirements of the Contract or applicable building codes, laws or regulations.

The Design-Build Team must submit certified payroll records each month as required by NRS Chapter 338. If the certified payroll records for the previous month have not been received, the Owner may withhold funds from the progress payment in accordance with NRS Chapter 338.

b. Retainage. From the progress payment to be made to the Design-Build Team, the Owner shall deduct and retain an amount equal to ten percent (10%) of the amount approved for payment.

c. Payment for Stored Material. The Owner may at its discretion pay the Design-Build Team for the cost of the material to be used in the performance of the Work, provided the material complies with the requirements of the Contract and the following conditions are satisfied:

i. The Design-Build Team stores the material in a manner acceptable to the Owner at the Work site or other site that is acceptable to the Owner.
ii. The Design-Build Team furnishes evidence of the quantity and quality of the stored material that is acceptable to the Owner.
iii. The Design-Build Team furnishes legal title (free of liens or encumbrances of any kind) for the stored material that is acceptable to the Owner.
iv. The Design-Build Team furnishes evidence the stored material is insured against loss, damage or disappearance thereof prior to use in the Work that is acceptable to the Owner.

The transfer of title to, or the payment for, the stored material by the Owner shall in no way relieve the Design-Build Team of responsibility for placing the material in accordance with the requirements of the Contract.

If payment is being sought for material not specifically purchased for the Work, but taken from the Design-Build Team's stock, then in lieu of an invoice, the Design-Build Team shall submit to the Owner a statement and accompanying affidavit certifying that the material was taken from the Design-Build Team's stock and that the claimed material and transportation costs represent the actual costs to the Design-Build Team.

The progress bill requesting payment for the stored material shall not exceed the Contract price for such material or the price for the Contract item comprising the material used by the Design-Build Team.

SECTION 5. COMPLETION OF PROJECT

Section 5.01 Substantial Completion

When the Design-Build Team considers the Work or portion thereof has reached Substantial Completion, the Design-Build Team shall so inform the Owner. The Owner shall schedule a walk-through to establish a punch list of items to be completed or corrected by the Design-Build Team.

If the Work or any designated portion thereof has reached Substantial Completion, and all applicable governmental authorities have granted final approval of the Work, the Owner will issue a Certificate of Substantial Completion establishing the date of Substantial Completion identifying responsibilities of the Owner and Design-Build Team for security, maintenance, utilities, damage to the work and insurance, and fixing the time for the Design-Build Team to finish the items on the punch list accompanying the Certificate. The Certificate of Substantial Completion shall be submitted to the Owner and Design-Build Team for their written acceptance of responsibilities assigned to them in such Certificate.

In the event the Design-Build Team is unwilling to provide written acceptance of the Certificate of Substantial Completion, the Owner shall issue the Certificate without the Design-Build Team's signature, and (i) the Design-Build Team shall immediately comply with the provisions of the Certificate, and any dispute involving the Design-Build Team's unwillingness to provide written acceptance shall be resolved in accordance with Section 12 (Disputes Between the Parties). In such event, the Owner may withhold Liquidated Damages based on the completion date shown on the issued Certificate of Substantial Completion until such time as the dispute is resolved between the parties.

Section 5.02 Punch List

The Design-Build Team shall complete or correct the Work identified on the punch list within the time specified on the Certificate of Substantial Completion or as otherwise directed. If the Design-Build Team fails to satisfactorily complete or correct the punch list items, such failure shall constitute a breach of this Agreement and the Owner shall have the option to invoke any of the remedies provided for under Section 10.

The time stated for completion of punch list items shall include final clean up of the Work site.

Section 5.03 Final Inspection and Final Acceptance of the Work

When the Design-Build Team considers the Work is complete, the Design-Build Team shall so notify the Owner in writing. If, after inspection and testing, the Owner determines that the Work has been completed as required by the Contract and the Contract otherwise fully performed, the Owner shall inform the Design-Build Team that application for final payment may be made. The Contract shall not be considered to be fully performed until the Design-Build Team provides the Owner with the certificates, guaranties, releases, certified payroll records, affidavits, record documents and other documents required under the Contract. Final acceptance of the Work shall be confirmed by the making of final payment unless otherwise stipulated at the time such payment is made.

Section 5.04 Final Payment

Provided the Contract has been fully performed pursuant to Section 5.03 (Final Inspection and Final Acceptance of the Work) of the Contract, the Design-Build Team shall prepare and submit a final payment application for all Work performed under the Contract. The acceptance of final payment shall operate as a release to the Owner by the Design-Build Team of all claims and liabilities for all things done or furnished in connection with the Work and for every act or omission, negligent or otherwise, of the Owner and others relating to or arising out of the Work.

No payment, final or otherwise, shall operate to release the Design-Build Team from any obligations under the Contract or the Sureties from any obligations under the Performance Bond, Labor and Material Payment Bond or the Guaranty Bond.

Section 5.05 Non-Conforming Work Not Accepted

Neither final acceptance, the making of final payment, nor the entire or partial occupancy of the completed Work by the Owner shall constitute an acceptance of the Work, or any portion thereof, not completed in accordance with the requirements of the Contract.

SECTION 6. LIQUIDATED, CONSEQUENTIAL AND DELAY DAMAGES

Section 6.01 Owner's Recovery of Liquidated Damages

The Design-Build Team acknowledges that time is an essential element of this Contract and for that reason the Work needs to proceed and be prosecuted vigorously to completion. In the event that the Work is not completed within the Contract Time set forth in Section 5 (Contract Time) of the Design-Build Contract, the Design-Build Team further acknowledges that the Owner will suffer damages which are difficult to ascertain, such as, but not necessarily limited to, the loss of the use of the Work by the Owner and the public, the inconvenience suffered by the public, and the cost associated with additional architectural, engineering, inspection, supervision and contract administration.

Because it is difficult and impractical to fix the amount of actual damages which would be suffered by the Owner if the Design-Build Team fails to meet the completion deadline, the parties have agreed that the amount of liquidated damages set forth in Section 6 of the Design-Build Contract is a reasonable estimate of the damages to be suffered by the Owner.

The Design-Build Team agrees to pay the Owner Liquidated Damages for each day that the Work exceeds the completion deadline until the Design-Build Team reaches Substantial Completion of the Work. The Liquidated Damages provided for therein pertain only to the failure to complete the Work by the completion deadline, and does not preclude recovering any increased costs incurred by the Owner in completing the Work. Liquidated Damages shall be in addition to any other remedies that may be available to the Owner. By executing the Design-Build Contract, the Design-Build Team agrees that the amount of liquidated damages set forth therein is fair and reasonable.

If the Owner permits the Design-Build Team to complete the Work, or any part thereof, after the completion deadline or any extensions thereto, such permission shall not be construed as a waiver on the part of the Owner of any of its rights or remedies under the Contract.

The Owner's right to withhold Liquidated Damages pursuant to the provisions of this Section, or any other section of the Contract, is self-executing, and is not subject to the notice of claim and arbitration procedures set forth in Section 12.02 (Arbitration) of the Contract. If the Design-Build Team disagrees with the assessment or withholding of any Liquidated Damages, such disagreement shall be treated as a dispute between parties subject to the notice of claim and arbitration procedures set forth in that Section.

Section 6.02 Owner's Recovery of Consequential Damages

The Design-Build Team acknowledges that time is an essential element of this Contract and for that reason the Work needs to proceed and be prosecuted vigorously to completion. In the event that the Work is not completed within the Contract Time set forth in Section 5 (Contract Time) of the Design-Build Contract, the Design-Build Team further acknowledges that the Owner will suffer consequential damages.

The Owner has applied for and received incentives from Nevada Energy for participation in the Solar Program, pursuant to NRS 701B.160. Due to funding limitations, the Owner would have not undertaken this Project if all of the Nevada Energy Solar Program incentives listed in this Section were not available to the Owner. NRS 701B.255(6) mandates that the Incentive granted to the Owner expires and the Owner loses the incentive in its entirety if the Owner does not complete the installation of the solar energy system within 12 months after the date on which the Owner was selected for participation in the Solar Program. The following table summarizes the Locations and the Incentive Expiration Dates:

Location	Incentive Expiration Date*
Centennial Hills Community Center	September 7, 2011 & September 8, 2011
Lorenzi Park	August 19, 2011 & September 9, 2011
Fire Station #5	December 9, 2011
Centennial Hills Park	December 9, 2011
Rainbow Family Park, South Lot	September 9, 2011
* Each Incentive Expiration Date shall be considered as a separate date for assessment of Consequential Damages under this Section.	

In order for the Owner to receive the Incentive, the Design-Build Team must meet the Mandatory Interim Substantial Completion Date (defined as achieving Substantial Completion and submitting all necessary paper work detailed in the Bridging Documents) for each Location as follows:

Location	Mandatory Interim Substantial Completion Date**
Centennial Hills Community Center	Wednesday, August 31, 2011 Thursday, September 01, 2011
Lorenzi Park	Thursday, August 11, 2011 Thursday, September 01, 2011
Fire Station #5	Thursday, December 01, 2011
Centennial Hills Park	Thursday, December 01, 2011
Rainbow Family Park, South Lot	Thursday, September 01, 2011

** **NOTE:** For Locations that have two Mandatory Interim Substantial Completion dates, two independent consequential damages may be assessed. If the Design-Build Team fails to achieve Mandatory Interim Substantial Completion and/or fails to submit all necessary paper work detailed in the Bridging Documents by the first Mandatory Interim Substantial Completion Date the initial Consequential Damage will be applicable. If the Design-Build Team fails to achieve Mandatory Interim Substantial Completion and/or fails to submit all necessary paper work detailed in the Bridging Documents by the second Mandatory Interim Substantial Completion Date, the Second Consequential Damage will also apply.

In order for the Owner to receive the Incentive, the Design-Build Team must achieve Mandatory Interim Substantial Completion and submit all necessary completed paperwork detailed in the Bridging Documents by the date listed in the table above for each Location. The Mandatory Interim Substantial Completion dates are approximately seven (7) calendar days prior to the expiration of the Incentive Expiration Date in order to permit the Owner to coordinate the processing of the Incentive paperwork and other necessary documentation with Nevada Energy.

If the Design-Build Team fails to achieve the Mandatory Interim Substantial Completion Date for a Location and/or fails to submit all necessary paper work detailed in the Bridging Documents by the date listed in the table above for a Location, the Owner's Incentive for that particular location shall expire, and the Owner will incur consequential damages detailed herein. For Locations that have a two Incentives, if the Design-Build Team fails to achieve Mandatory Substantial Interim Completion and/or fails to submit all necessary paper work detailed in the Bridging Documents by the second Mandatory Substantial Interim Completion Date for a Location, the Owner's second incentive for that particular Location shall expire, and the Owner will incur additional Consequential Damages detailed herein.

Location	Incentive Amount and Corresponding Incentive Expiration Date
Centennial Hills Community Center	$216,000.00 (September 7, 2011) & $281,460.00 (September 8, 2011)
Lorenzi Park	$150,000.00 (August 19, 2011) & $180,600.00 (September 9, 2011)
Fire Station #5	$150,000.00 (December 9, 2001)
Centennial Hills Park	$150,000.00 (December 9, 2001)
Rainbow Family Park, South Lot	$143,740.00 (December 9, 2001)

The Design Build Team agrees and acknowledges that such Consequential Damages shall be levied against the Design-Build Team if the Owner loses an incentive for a particular Location, and such amount shall be assessed by the Owner against the amount of monies withheld by the Owner for anticipatory Consequential Damages.

The Owner shall attempt to mitigate such Consequential Damages by submitting an application to Nevada Energy for a new incentive on the date the Design-Build Team achieves Substantial Completion and submits all necessary completed paper work detailed in the Bridging Documents. Any new incentive is dependent upon availability of Solar Program funds and approval by Nevada Energy during the following program year. Any New Incentive granted to the Owner shall offset the Consequential Damages sustained by the Owner and any amount received from Nevada Energy during the next program year shall be paid by the Owner to the Design-Build Team within 30 days of receipt of the new incentive from Nevada Energy.

The Owner's right to withhold Consequential Damages pursuant to the provisions of this Section, or any other section of the Contract, is self-executing, and is not subject to the notice of claim and arbitration procedures set forth in Section 12.02 (Arbitration) of the Contract. If the Design-Build Team's Project Schedule indicates late completion for any Location, or if in the reasonable determination by the Owner that the Design-Build Team will breach the Contract by not completing any Location by the Incentive Expiration Date(s), the Owner shall deduct an amount equal to the lost Incentive(s) by withholding payment to the Design-Build Team as set forth in Section 10.06 (Deduction From Progress Payments).

Section 6.03 Delay Damages

The Design-Build Team shall not make any claim against the Owner for an increase in the Contract Amount, or for any damages, losses or additional expenses which the Design-Build Team may suffer as a result of any delay in the completion of the Work (regardless of the circumstances giving rise to the delay), with the exception of the following:

i. Delays caused by the Owner's malicious or grossly negligent conduct, or the Owner's willful and knowing delay to the Substantial Completion of the Work,
ii. Delays whose assumption of the risk by the Design-Build Team was not within the contemplation of the parties at the time the parties entered into the Contract, or
iii. Delays of such unreasonable duration that they constitute an intentional abandonment of the Contract by the Owner.

If any of the exceptions set forth in (i) through (iii) above are determined by the Owner to be applicable, the Owner may grant a time extension commensurate with the delay, increase the Contract Amount and/or consider for payment a claim for damages, losses or additional expenses resulting from any delay in the completion of the Work provided such claim meets the requirements set forth in Section 01200 (Claims and Disputes) of the Bridging Documents. The Owner shall determine the validity of the claim and the amount to be paid, and such consideration or payment shall not invalidate, limit

or otherwise waive the prohibition provisions of this Section with respect to any future delay claims of the Design-Build Team.

Without limiting the following possible circumstances as being within the contemplation of the parties at the time that the parties entered into the Contract, if any of the following circumstances shall occur:

i. Unknown or uncertain conditions including, but not necessarily limited to, the discovery of caliche, ground water and all other subsurface conditions,
ii. Weather conditions (including, but not limited to, precipitation, flood, mud slides, sink holes, ice and snow resulting from precipitation, wind, temperature or humidity) and the resultant effects thereof regardless of the nature, duration, severity or abnormality of such weather condition,
iii. Unmarked utilities or utility interferences,
iv. Events of war, labor disputes, transportation delays, freight embargos, earthquakes, floods, epidemics, terrorist threats or acts, workplace violence, theft, vandalism damage to the Work (including fire and explosion), acts of God and all other events, acts or omissions resulting in the unavailability of labor, materials, equipment or utilities,
v. Acts or omissions of the Owner and other governmental authorities acting in their role as code and regulation enforcement regulators,
vi. Acts or omissions of Design-Build Teams, subcontractor, suppliers and material manufacturers involved in the Work,
vii. Acts, omissions and coordination of other Design-Build Teams regardless of the event location or contractual relationship between the parties, unless such Design-Build Teams are under the direction or control of the Owner, or under the direction or control of a general Design-Build Team of the Owner, or
viii. Discovery of hazardous substances or substances suspected of being hazardous,

then the Design-Build Team may be entitled to an increase in the Contract Amount and/or a time extension for completion of the Work provided the delay to the Work meets the requirements of Section 01200 (Claims and Disputes) of the Bridging Documents of the Contract.

This Section shall apply to any claim described as a "disruption," "acceleration," "suspension," "schedule change," "impact to the progress of the Work" or some other term avoiding use of the term "delay."

SECTION 7. BONDING REQUIREMENTS

Section 7.01 Required Bonds

The Design-Build Team shall purchase and maintain throughout the term of this Agreement, the following bonds:

i. Performance Bond insuring performance of all of the obligations of the Contractor as required by the Contract in the amount of 100% of the Contract Amount.
ii. Labor and Material Payment Bond insuring the payment of all of the Subcontractor and material suppliers of the Design-Build Team in the amount of 100% of the Contract Amount.
iii. Guaranty Bond insuring against defects or deficiencies in the workmanship of, and materials used in, the Work in the amount of 100% of the Contract Amount. The Guaranty Bond shall take effect upon Substantial Completion of the Work and shall remain in effect for a period of one year thereafter or for longer period if so provided in the Specifications.

Section 7.02 Acceptable Surety

The bonds must be issued by a surety who is listed in Circular 570 (current edition) issued by the Department of Treasury, Fiscal Services as company holding a certificate of authority as an acceptable surety or reinsuring company of federal projects.

The Surety must be licensed to do business in the State of Nevada. Bonds issued by individuals as surety are not acceptable to the Owner. The Design-Build Team shall require the agent who executes the bond on behalf of the Surety to attach to the bond a correct copy of the power of attorney authorizing the agent to execute the bond.

Section 7.03 Failure to Maintain Bonds

If, for any reason, the bonds are not maintained in effect as required herein, the surety files for protection under the federal bankruptcy laws or similar state laws or the surety rating decreases from that required under Section 7.02 (Acceptable Surety) of the Contract, the Owner may require the Design-Build Team to procure bonds from another surety to be substituted in lieu of the bonds originally provided to the Owner, and the failure to procure the substitute bonds shall constitute a breach of the Contract entitling the Owner to any of the remedies set forth in Section 10 (Breach of Contract and Remedies) of the Contract.

SECTION 8. INSURANCE REQUIREMENTS

Section 8.01 Section and Paragraph Headings
The section and paragraph headings appearing in this Request for Preliminary Proposals are inserted for the purpose of convenience and ready reference. They do not purport to define, limit, or extend the scope or intent of the language of the sections and paragraphs to which they pertain.

Section 8.02 Owner Provided Builder's Risk Insurance.
The Owner shall provide Builder's Risk Insurance insuring against all risks of loss (including fire, testing, vandalism, malicious mischief, collapse and water damage) for 100% of the replacement value of the completed portion of the Work including delay damages or damage to materials stored on or outside the Project, or in transit thereto.

Scope of Coverage:	Project Specific
Type of Coverage:	Occurrence Basis
Amount of Deductible	$10,000
Amount of Coverage:	Contract Amount
Policy Period:	Effective until final completion of the Project
Named Insured:	City of Las Vegas

Section 8.03 Design-Build Team provided Insurance – General
The Design-Build Team awarded the Contract shall purchase and continuously maintain in full force and effect for the policy periods specified below the insurance policies specified in this Section. The insurance required hereunder shall not be interpreted to relieve the Design-Build Team of any obligations under the Contract. The Design-Build Team shall remain fully liable for all deductibles, including Builder's Risk Insurance provided by the Owner and amounts in excess of the coverage actually realized, except Builder's Risk.

a. Commercial General Liability Insurance. The Design-Build Team shall provide and maintain Commercial General Liability Insurance (broad form coverage) insuring against claims for bodily injury, property damage, personal injury and advertising injury that shall be no less comprehensive and no more restrictive than the coverage provided by Insurance Services Office (ISO) form for Commercial General (CG 00-01-10-01). By its terms or appropriate endorsements such insurance shall include the following coverage, to wit: Bodily Injury, Property Damage, Fire Legal Liability (not less than the replacement value of the portion of the premises occupied), Personal Injury, Blanket Contractual, Independent Contractors, Premises Operations, Products and Completed Operations (for a minimum of two (2) years following Final Completion of the Project). The policy cannot be endorsed to exclude the perils of explosion (x), collapse (c) and underground (u) exposures without the approval of the Owner.

If Commercial General Liability Insurance or other form with a general aggregate limit and products and completed operations aggregate limit is used, then the aggregate limits shall apply separately to the Project, or the Design-Build Team may obtain separate insurance to provide the required limit which shall not be subject to depletion because of claims arising out of any other project or activity of the Design-Build Team. Any such excess insurance shall be at least as broad as the Design-Build Team's primary insurance.

Scope of Coverage:	Non-Project Specific
Type of Coverage:	Occurrence Basis
Amount of Coverage:	$1,000,000 per occurrence
	$2,000,000 aggregate
Policy Period:	Annual Policy. Effective for the duration of this Agreement
Name Insured:	Design-Build Team
Additional Insured Parties:	City of Las Vegas (its officers, employees and agents)

b. Automobile Liability Insurance. The Design-Build Team shall provide Comprehensive Automobile Liability Insurance insuring against claims for bodily injury and property damage and covering the ownership, maintenance or use of all owned/leased, non-owned and hired vehicles used in the performance of the Work, both on and off the Project Site, including loading and unloading. The coverage shall be primary and non-contributory and shall be provided by Insurance Services Office form for Commercial Auto Coverage (CA-00-01-10-01) or equivalent.

Scope of Coverage:	Non-Project Specific
Type of Coverage:	Occurrence Basis
Amount of Coverage:	$1,000,000 per occurrence
	$2,000,000 aggregate
Policy Period:	Annual Policy. Effective for the duration of this Agreement
Name Insured:	Design-Build Team
Additional Insured Parties:	City of Las Vegas (its officers, employees and agents)

c. Workers' Compensation. The Design-Build Team shall provide Worker's Compensation Insurance sufficient to meet its statutory obligation under NRS Chapter 616 to provide benefits for employees with claims of bodily injury or occupational disease (including resulting death). The policy required herein shall be primary and non-contributory in its coverage.

Scope of Coverage:	Non-Project Specific
Type of Coverage:	Occurrence Basis
Amount of Coverage:	Statutory
Policy Period:	Annual Policy. Effective for the duration of this Agreement
Name Insured:	Design-Build Team
Additional Insured Parties:	City of Las Vegas (its officers, employees and agents)

d. Employer's Liability Insurance. The Design-Build Team shall provide Employer Liability Insurance covering its legal obligation to pay damages because of bodily injury or occupational disease (including resulting death) sustained by an employee. The policy required herein shall be primary and non-contributory in its coverage.

Scope of Coverage:	Non-Project Specific
Type of Coverage:	Occurrence Basis
Amount of Coverage:	$1,000,000 bodily injury by accident
	$1,000,000 bodily injury by disease
	$1,000,000 policy limited
Policy Period:	Annual Policy. Effective for the duration of this Agreement
Name Insured:	Design-Build Team
Additional Insured Parties:	City of Las Vegas (its officers, employees and agents)

e. Errors and Omissions Insurance. The Design Professional shall procure and maintain Errors and Omissions Insurance insuring against.

Scope of Coverage:	Project Specific
Type of Coverage:	Occurrence Basis
Amount of Coverage:	$1,000,000 per occurrence $2,000,000 aggregate
Policy Period:	Effective until final completion of the Project
Named Insured:	Design-Build Team
Additional Insured Parties	City of Las Vegas (its officers, employees and agents

Section 8.04 Acceptable Insurance Company

The insurance company providing any of the insurance coverage required herein shall have a Best's Key rating of A VII or higher, (i.e., A VII, A VIII, A IX, A X, etc.) and shall be subject to approval by the Owner. Each insurance company's rating

as shown in the latest Best's Key Rating Guide shall be fully disclosed and entered on the required certificate of insurance.

Section 8.05 Premiums, Deductibles and Self-Insured Retentions
The Design-Build Team shall be responsible for payment of premiums for all of the insurance coverages required under this Exhibit. The Design-Build Team further agrees that for each claim, suit or action made against insurance provided hereunder, with respect to all matters for which the Design-Build Team is responsible hereunder, the Design-Build Team shall be solely responsible for all deductibles and self-insured retentions. Any deductibles or self-insured retentions over $50,000 in the Design-Build Team insurance must be declared and approved by Owner.

Section 8.06 Certificates of Insurance
The Design-Build Team will deliver to Insurance Tracking Services, Inc. (ITS), the Owner's representative, a certificate of insurance with respect to each required policy to be provided by the Design-Build Team under this Exhibit. The required certificates must be signed by the authorized representative of the insurance company shown on the certificate with proof that such person is an authorized representative thereof, and is authorized to bind the named underwriter(s) and their company to the coverage, limits and termination provisions shown thereon.

Submit certificates of insurance to:

City of Las Vegas
C/O Insurance Tracking Services, Inc. (ITS)
P.O. Box 21919
Long Beach, CA 90801
Account Manager: Michael Palacios
Phone: (888) 435-2955 ext. 503 • Fax: 562-435-2999
Email: michael.palacios@instracking.com

A certified, true and exact copy of each of the project specific insurance policies (including renewal policies) shall be provided to the Owner upon request.

Section 8.07 Renewal Policies
The Design-Build Team shall promptly deliver to ITS a certificate of insurance with respect to each renewal policy, as necessary to demonstrate the maintenance of the required insurance coverage for the terms specified herein. Such certificate shall be delivered to ITS not less than 30 days prior to the expiration date of any policy and bear a notation evidencing payment of the premium thereof.

Section 8.08 Cancellation and Modification of Insurance Coverage
Each insurance policy supplied by the Design-Build Team must be endorsed to provide that the coverage shall not be suspended, voided, canceled or reduced in coverage or in limits except after ten (10) days written notice in the case of non-payment of premiums, or thirty (30) days written notice in all other cases, has been given to the Owner and such notice is by certified mail, return receipt requested. This notice requirement does not waive the insurance requirements contained herein.

Section 8.09 No Recourse
There shall be no recourse against Owner for the payment of premiums or other amounts with respect to the insurance required from the Design-Build Team under this Exhibit.

Section 8.10 Endorsements and Waivers
All insurance policies required hereunder shall contain or be endorsed to contain the following provisions:

i. For claims covered by the insurance specified herein, said insurance coverage shall be primary insurance with respect to the insured, additional insured parties, and their respective members, directors, officers, employees and agents and shall specify that coverage continues notwithstanding the fact that the Design-Build Team has left the Project site. Any insurance or self-insurance beyond that specified in this Contract that is maintained by an insured, additional insured, or their members, directors, officers, employees and agents shall be in excess of such insurance and shall not contribute with it.
ii. Any failure on the part of a named insured to comply with reporting provisions or other conditions of the policies, any breach of warranty, any action or inaction of a named insured or others, any foreclosure relating to the Project or any change in ownership of all or any portion of the Project shall not affect coverage provided

to the other insured or additional insured parties or their respective members, directors, officers, employees and agents.

i. The insurance shall apply separately to each insured and additional insured party against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Section 8.11 Failure to Provide or Maintain Insurance Coverage (Revised)
The awarded Design-Build Team's failure to provide or maintain any of the insurance coverage required herein would constitute a breach of the Contract.

SECTION 9. INDEMNITY

Section 9.01 General Indemnity

The Design-Build Team shall protect, indemnify and hold the Owner, its officers, employees, agents and consultants (collectively the "Indemnitees") harmless from any and all claims, liabilities, damages, losses, suits, actions, decrees, and judgments (including attorney fees, court costs) or other expenses of any and every kind or character (collectively the "Claims"), which may be recovered from or sought against the Indemnitees as a result of, by reason of, or as a consequence of, the negligence, errors, omissions, recklessness or intentional misconduct on the part of the Design-Build Team, its officers, employees, agents, subcontractor or suppliers (i) in the manufacturing or supplying (including transportation) of any materials, supplies or other products used in the Work, or (ii) in the performance of the terms, conditions and covenants of the Contract. The Owner may retain for its protection any money due and owing the Design-Build Team under this Contract. In the event no money is due and owing, the surety, if required, of the Design-Build Team, may be held until all of the Claims have been settled and suitable evidence to that effect furnished to the Owner.

The Design-Build Team shall defend the Indemnitiees against the Claims and in the event that the Design-Build Team fails to do so, the Owner shall have the right, but not the obligation, to defend the same and to charge all direct and incidental costs, including attorney's fees and court costs to the Design-Build Team.

Section 9.02 Patent Indemnity

The Design-Build Team shall protect, defend and hold the Owner, its officers, employees, agents and consultants (collectively the "Indemnitees") harmless from and against all claims, losses, costs, damages, and expenses, including attorney fees, court costs or other expenses (collectively the "Claims"), incurred by the Indemnitees, or any of them, respectively, as a result of or in connection with any claims or actions based upon infringement or alleged infringement of any patent and arising out of the use of the equipment or materials furnished under the Contract by the Design-Build Team, or out of the processes or actions employed by, or on behalf of, the Design-Build Team in connection with the performance of this Contract. The Design-Build Team shall, at its sole expense, promptly defend against any such claim or action unless directed otherwise by the Indemnitees; provided that the Indemnitees shall have notified the Design-Build Team upon becoming aware of such claims or actions, and provided further that the Design-Build Team's aforementioned obligations shall not apply to equipment, materials or processes furnished or specified by the Indemnitees.

In order to avoid such claims or actions, the Design-Build Team shall have the right, at its expense, to substitute non-infringing equipment, materials or processes, or to modify such infringing equipment, materials and processes so they become non-infringing, or to obtain the necessary licenses authorizing the use of the infringing equipment, material or processes, provided that such substituted and modified equipment, materials and processes shall meet the requirements of this Contract.

SECTION 10. BREACH OF CONTRACT AND REMEDIES

Section 10.01 Definition of Breach

If, during the existence of the Contract, the Design-Build Team:

i. Fails to properly pay any Subcontractor or other parties for labor, materials or supplies as required by Section 2.16 (Responsibility for Payment of Subcontractor and Other Parties) of the Contract;

ii. Fails to begin the Work within the time specified in the Notice to Proceed as required by Section 4.01 (Notice to Proceed) of the Contract;

iii. Fails to diligently prosecute the Work as required by Section 4.02 (Guaranteed Project Schedule) or Section 4.03 (Progress of the Work) of the Contract;

iv. Fails to provide sufficient workmen, materials or equipment to assure the prompt completion of the Work as required by Section 4.03 (Progress of the Work) of the Contract;

v. Fails to complete the Work within the Contract Time as required by Section 4.04 (Contract Time) of the Contract;

vi. Fails to complete the punch list within the time specified in the Certificate of Substantial Completion as required by Section 5.02 (Punch List) of the Contract;

vii. Fails to maintain the bonds, industrial insurance coverage for his employees, general liability insurance or any of the other policies of insurance as required by Sections 7.01 (Required Bonds) and 8.01 (Required Insurance) of the Contract;

viii. Fails to pay third party claims as required by Section 9.01 (General Indemnity) of the Contract;

ix. Fails to maintain licensure by the Nevada State Design-Build Team's Board as required by Section 11.01 (General Warranty) of the Contract;

x. Fails to promptly remedy the Work not in conformance with the Contract as required by Section 11.03 (Warranty Work Conforms with Requirements of the Contract);

xi. Fails to observe laws, ordinances, rules or regulations pertaining to the Project as required by Section 13.01 (General) of the Contract;

xii. Fails to investigate, or cooperate in the investigation of, complaints concerning the payment of prevailing wage rates requested by the Owner or the State Labor Commissioner's Office as required by Section 13.02 (Compliance with Labor Laws) of the Contract;

xiii. Fails to maintain solvency, allows a judgment to stand against the Design-Build Team for a period of five (5) days, files a petition with the United States Bankruptcy Court, is adjudged insolvent or bankrupt, makes a general assignment for the benefit of creditors, or commits an act of bankruptcy or insolvency; or

xiv. Fails to remedy any other material breach of the provisions of the Contract;

then the occurrence of any of the above shall constitute a breach of the contract which if unremedied may constitute an Event of Default as described in Section 10.02 (Event of Default).

Section 10.02 Event of Default

The Design-Build Team and the Surety under the Performance Bond shall be entitled to seven (7) days notice of each breach described in Section 10.01 (Definition of Breach) of the Contract and given the opportunity within such time to cure the breach, provided, however, such breach is capable of a cure. If such breach is capable of a cure but by its nature cannot be cured within the seven day period, the Design-Build Team or Surety may be allowed such additional time as may be reasonably necessary to cure the breach provided the cure is commenced within the seven day period and is diligently pursued to completion.

If any breach is not subject to cure, or is not cured as provided herein, the Owner may declare that an "Event of Default" has occurred and the Owner may, in addition to any other remedies available in law or equity, invoke any of the remedies provided for under this Section 10 (Breach of Contract and Remedies) of the Contract.

Section 10.03 Damages

Except for those breaches which are subject to Liquidated Damages set forth in Section 6.01 (Owner's Recovery of Liquidated Damages), if the Design-Build Team fails to cure any Event of Default under this Agreement within the time provided in Section 10.02 (Event of Default), the Owner shall be entitled to damages resulting therefrom.

Section 10.04 Termination for Cause

Upon the occurrence of an Event of Default, the Owner may terminate the Contract which shall take effect immediately upon service of the notice on the Design-Build Team and the Surety under the Performance Bond unless a different effective date is specified therein. In the event of such termination, the Surety shall have the right to take over and perform the Contract.

If the Surety does not commence performance of the Contract within 10 days of receipt of the notice, the Owner may do any and all of the following:

i. Take possession of the Project Site and the materials, equipment, tools, and construction equipment and machinery thereon owned by the Design-Build Team;
ii. Accept the assignment of the Design-Build Team's subcontracts pursuant to this Contract (Contingent assignment of subcontracts to Owner if Contract is terminated); and
iii. Finish the Work by whatever method deemed expedient by the Owner.

The Design-Build Team shall not be entitled to any further payment under the Contract until the Work is completed and accepted by the Owner. If the unpaid balance of the Contract Amount exceeds the cost of completing the Work, including compensation for any damages or expenses incurred by the Owner through the default of the Design-Build Team, the excess shall be paid to the Design-Build Team. If, however, the damages and expenses exceed the unpaid balance of the Contract Amount, the Design-Build Team and the Surety under the Performance Bond shall pay the difference to the Owner.

Section 10.05 Owner's Right to Perform the Work

If the Design-Build Team fails to perform or proceed with the Work, or any part thereof, as required by the Contract, and fails within the seven day notice required pursuant to Section 10.02 (Event of Default) of the Contract to remedy the breach, or to commence and continue correction of such breach with promptness and due diligence toward completion, the Owner may, without prejudice to any other right or remedy available to the Owner, and without terminating the Contract and relieving the Design-Build Team from its obligations under the Contract, proceed to correct the breach, or applicable portion thereof, by any means or methods deemed appropriate (including use of the Owner's personnel).

If the Owner discovers during the course of the corrective action that the breach is greater or otherwise different from, but nevertheless related to, the breach described in the seven-day notice, then the greater or different breach shall be deemed to have been included in the original seven-day notice and the Owner may proceed with the corrective action without having to provide any additional notice to the Design-Build Team.

If, after expiration of the seven-day notice period required pursuant to Section 10.02 (Event of Default) of the Contract, the Design-Build Team proceeds to correct the breach and the Owner has already incurred certain expenses (such as, but not necessarily limited to, preparation of cost estimates or remedial plans and drawings, placement of material orders, demolition costs, rental costs, storage costs, trash removal expenses, utility expenses, scheduled commitments from Design-Build Teams which cannot be canceled without the Owner incurring costs to the Design-Build Team, transportation costs of personnel or materials, and incurred cost of hiring technical personnel whether licensed or not) as part of an effort to remedy the breach, then the Design-Build Team shall pay the Owner for such incurred expenses as provided herein.

If, after issuance of the seven day notice of the breach required pursuant to Section 10.02 (Event of Default) of the Contract, the Owner decides not to take any action to correct the breach or fails in the effort to correct the breach, the Design-Build Team remains responsible for the breach and any expenses incurred in any failed effort to correct the breach.

In the event of a correction and expense as provided herein, the Contract Amount shall be reduced by the amount of the incurred expenses which amount the Owner shall be entitled to deduct from any payments then or thereafter due the Design-Build Team (including the direct and indirect costs of using the Owner's personnel). If payments then or thereafter due the Design-Build Team are not sufficient to cover the incurred expenses, the Design-Build Team shall pay the difference to the Owner.

Section 10.06 Deduction From Progress Payments

For each and every breach set forth in Section 10.01 (Definition of Breach) of the Contract, the Owner may decline to certify, in whole or in part, any pending application for payment which, in the opinion of the Owner, may be necessary to protect the Owner from the damages and expenses which are expected to be incurred, or which have been incurred, as a result of the breach. Based upon the opinion of the Owner, the Owner may withhold from any requested progress payment such sum as may be necessary to protect the Owner from such damages and expenses including, but not necessarily limited to, the Liquidated Damages permitted pursuant to Section 6.01 (Owner's Recovery of Liquidated Damages) and Consequential Damages pursuant to Section 6.02 (Owner's Recover of Consequential Damages) of the Contract which the Owner anticipates will occur as a result in the delay in the Completion of the Project.

If an agreement can be reached between the Owner and the Design-Build Team concerning the request for payment, the Design-Build Team may submit a revised application for certification. The Owner shall have the right to deny in whole or in part, or to require an adjustment to, any pending application if, as a result of new evidence or observations subsequent to the issuance of a previous certification, the Owner has determined that the amount paid exceeds the percentage of completion of the Work, the Work cannot be completed for the unpaid balance of the Contract or any other such certification was improperly issued.

If the Design-Build Team remedies the failure for which payment has been withheld, and the Owner verifies such correction, then the withheld money shall be included with the payment of the next application.

Section 10.07 Rights and Remedies are Cumulative

Except as otherwise expressly stated in the Contract, 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 or different times, of any other rights or remedies for the same default or any other default by the other party.

SECTION 11. REPRESENTATIONS AND WARRANTIES

Section 11.01 General Representations and Warranties

The Design-Build Team hereby represents and warrants that it (i) is familiar with requirements of the Contract; (ii) has investigated the site and is knowledgeable concerning the local conditions that may affect the performance of the Work; (iii) is satisfied that the Work can be performed and completed as required in the Contract; (iv) accepts all of the risks directly or indirectly connected with the performance of the Contract; (v) has not been influenced by any statement or promise other than those contained in the Contract Documents; (vi) is experienced and competent to perform the Contract; (vii) is familiar with all general and special laws, ordinances and regulations that may affect the Work, its performance, or those persons employed therein; (viii) is familiar with tax and labor regulations and with rates of pay that will affect the Work, and (ix) is properly licensed and will remain properly licensed by the Design-Build Teams Board of the State of Nevada in order to perform the Contract.

Section 11.02 Warranty of Merchantability and Fitness for Particular Purpose

The Design-Build Team warrants that the equipment and materials used or provided as part of the Contract are of merchantable quality and fit for their particular purpose.

Section 11.03 Warranty Work Conforms with Requirements of the Contract

In addition to other warranties and longer time periods which may be provided in the Contract, and as a minimum, the Design-Build Team warrants the Work performed under the Contract is in conformance with the requirements of the Contract, and that the Work is free of defects and deficiencies in design, materials and workmanship (unless furnished by the Owner) for a period of 12 months from the date of the Certificate of Substantial Completion (or 12 months from the completion date of any portions of the Work first performed after Substantial Completion), regardless of whether the same were furnished or performed by the Design-Build Team or by any of its Subcontractor of any tier. Upon receipt of written notice from the Owner of any non-conformance to the Contract during the applicable warranty period, the Design-Build Team shall promptly correct the affected non-conformance at a time acceptable to the Owner.

The Design-Build Team shall perform such tests as the Owner may require verifying that the Work is in compliance with the Contract. If such Work is not in accordance with the Contract, the costs of the correcting and testing, including the cost of removal necessary to gain access thereto and other related incidental costs, shall be borne by the Design-Build Team. If such Work is found to be in accordance with the Contract, the costs of uncovering, replacement, and testing shall be charged to the Owner. The Design-Build Team warrants any corrected Work to be in conformance with the Contract for a period of 12 months from the date of acceptance thereof. If the Design-Build Team fails to promptly make the necessary corrections and tests, the Owner may perform or cause to be performed the same at the Design-Build Team's expense. The Design-Build Team and its Surety shall be liable for the satisfaction and full performance of the warranties set forth in this Section.

Unless otherwise provided elsewhere in the Contract, the materials and equipment incorporated into the Work shall be new and of the most suitable grade of their respective kinds for their intended use, and all workmanship shall be in accordance with construction practices acceptable to the Owner.

Nothing contained in this Section shall be construed to establish a period of limitation with respect to the Design-Build Team's obligations under the Contract other than specifically to correct the Work then known by the Owner to be in non-conformance with the Contract, including, but not limited to, defects and deficiencies in design, materials and workmanship (unless furnished by the Owner).

Section 11.04 Warranty Exclusions Prohibited

The Owner will not accept any warranty clause from the Design-Build Team, Subcontractor or manufacturer that states:

i. That the implied warranties of Merchantability or Fitness for a Particular Purpose are excluded from the Contract;
ii. That the warranty clause is in lieu of all other warranties that are either expressed or implied.

In addition to the above restrictions, the warranty requirements of the Contract shall exist in a direct extension from the manufacturer to the Owner as well as from the Design-Build Team to the Owner if the manufactured product is sold directly to the Design-Build Team.

SECTION 12. DISPUTES BETWEEN THE PARTIES

Section 12.01 In General
Any claim, dispute or other controversy that may arise between the Owner and Contractor concerning any provision of this Contract shall be resolved through the good faith efforts of both parties. In accordance with NRS 338.150, if the claim, dispute or controversy cannot otherwise be settled, the parties shall use an alternate dispute resolution method before initiation of any judicial action. For purposes of this Contract, alternate dispute resolution shall mean non-binding mediation before an independent private mediator agreed to by the parties. If the parties cannot agree upon an independent private mediator within 45 days after notice of the claim is provided pursuant to Section 12.04 below, the party may proceed to file a judicial action with the Eighth Judicial District Court, Clark County, Nevada. The alternate dispute resolution proceedings shall take place in Clark County, Nevada, unless otherwise agreed to by the parties.

Section 12.02 Work to Proceed
While the alternate dispute resolution or judicial action is pending, the Contractor shall proceed with the Work and maintain progress in accordance with the requirements of the Contract, unless otherwise mutually agreed upon in writing.

Section 12.03 Alternate Dispute Resolution Costs and Fees
The fees and expenses of the alternate dispute resolution proceedings shall be equally shared by both parties. Each party is responsible for their own costs, expenses, consultant fees and attorney fees incurred in the presentation or defense of any claim, dispute or controversy that may arise between the parties.

Section 12.04 Notice of Dispute
In the event that a claim, dispute, or controversy arises between the parties which are related to the progress or construction of the Project, the party asserting the claim, dispute or controversy must provide written notice thereof to the other party within thirty (30) days after its occurrence. The written notice shall set forth with specificity the nature of the claim, dispute or controversy, the relief sought, and other matters properly relating thereto. The notification is important to the recipient of the notice so that proper measures can be taken to properly observe and record the progress of the Work, to properly document the impact that the claim, dispute or controversy may have thereon, and to enable that party to properly verify any costs incurred by the party asserting the claim, dispute or controversy in connection therewith. The failure of the party to provide proper notice to the other party as required herein shall forever bar that party from any remedy thereon, including seeking any alternate dispute resolution and/or judicial action. The notice and time requirements set forth herein shall not apply to warranty claims or other construction defect claims that the Owner may have against the Contractor relating to the construction of the Work.

Section 12.05 Right of Judicial Action
Any claim, dispute, or other matter in question between the parties concerning any provisions of this Contract that cannot otherwise be resolved between the parties through the use of the alternate dispute resolution required herein and, in the case of the Contractor, which has not been waived by the acceptance of final payment, may be submitted for judicial action. Prior to the exercise of this right, the party seeking judicial relief shall have provided the other party 30 days prior written notice before filing such judicial action.

SECTION 13. COMPLIANCE WITH THE LAWS

Section 13.01 General

The Design-Build Team shall comply with all federal, state and local laws and regulations applicable to construction of the Work including, but not necessarily limited to, licensing requirements, labor and health laws, and requirements for the payment of sales and use taxes on equipment, materials and supplies provided in connection with the Contract.

Section 13.02 Compliance with Labor Laws

a. Prevailing Wage Rate Law. The Design-Build Team and each Subcontractor shall comply with all federal, state and local labor laws with regard to minimum wages, overtime work, hiring and discrimination including, without limitation, NRS Chapter 338.

1. Prevailing Wage Rates. For public work projects whose cost is $100,000 or more, the Design-Build Team hereby acknowledges that pursuant to the provisions of NRS 338.040 and 338.050, any person who is employed by the Design-Build Team or Subcontractor at the Work Site, or who performs work on a public work project (regardless of any contractual relationship alleged to exist between the workman and his other employer), is subject to the prevailing wage rate provisions of NRS 338.010 to 338.090, inclusive. The Design-Build Team is responsible for ensuring that the aforementioned persons are paid in accordance with the current prevailing wage rates approved by the State Labor Commissioner. Any Change Order causing a contract to equal or exceed $100,000 will subject the Contract to the provisions of Prevailing Wage Rate Law and to audit by the State Labor Commissioner. Any work performed after regular working hours, or on Sunday or a legal holiday, shall be performed without additional expense to the Owner.

In accordance with NRS Chapter 338, the Design-Build Team shall post the current prevailing wage rates and applicable addenda in a place generally visible to the workmen. The prevailing wage rates and applicable addenda are available from the office of the State Labor Commissioner (www.laborcommissioner.com). The Design-Build Team agrees to investigate, or to assist in the investigation of, each claimed violation of the prevailing wage law as may be requested by the Owner or the State Labor Commissioner.

2. Certified Payroll Reports. Pursuant to NRS Chapter 338, for any public work contract awarded for $100,000 or more, the Design-Build Team and each Subcontractor are required to keep an accurate record showing the name, occupation and the actual per diem wages and benefits paid to each workman employed by them in connection with the Work. These records are referred to as the "certified payroll reports."

The Design-Build Team, and each Subcontractor through the Design-Build Team, is required to submit a copy of the certified payroll reports for each calendar month to the Owner no later than fifteen (15) calendar days after the end of the month. The Design-Build Team shall be responsible for coordinating the submittal of all the certified payroll reports for the Project, including the reports of each Subcontractor who is performing Work on the Project.

The Design-Build Team agrees to contact the Nevada State Labor Commissioner with any question concerning the payment of prevailing wage rates.

3. Penalties. In accordance with NRS 338.060, the Design-Build Team shall forfeit the penalty provided herein to the Owner for each calendar day or portion thereof that each workman employed on the Project (i) is paid by the Design-Build Team or Subcontractor less than the designated wage rate for the work on the Project, (ii) the Design-Build Team or Subcontractor willfully included inaccurate or incomplete information in the monthly certified payroll report submitted to the Owner, (iii) the Design-Build Team or Subcontractor did not report to the Owner as required pursuant to NRS 338.070, and/or (iv) if a violation of more than one provision of subsection (i) through (iii) herein involves the same workman, the Design-Build Team shall forfeit the penalty set forth in each violated subsection.

The Design-Build Team hereby stipulates that the Owner may withhold not less than $20.00, nor more than $50.00 for each and every violation of subparagraphs (i) through (iii) herein, the actual amount of which is according to a sliding scale based on the size of the Design-Build Team's business which is adopted by the State Labor Commissioner, except that for violation of subparagraph (iii) the maximum penalty is limited to $1,000 for the first violation and $5,000 for each subsequent violation occurring during the term of the Contract.

In addition to any penalty imposed by the Labor Commissioner, if the Design-Build Team or Subcontractor is determined by the Owner to have violated the provisions of this Section, the Owner may deduct from any payments due the Design-

Build Team, the costs of the proceedings associated with the investigation of each wage complaint including, but not limited to, employee salaries, investigator fees and attorney fees.

In addition to any monetary penalty imposed by the statute, the Design-Build Team, or its Subcontractor, agent or representative, performing Work on the Project who neglects to comply with the prevailing wage rate requirements of NRS Chapter 338 is guilty of a misdemeanor.

b. Copeland Anti-Kickback Law. The Design-Build Team shall comply with the Copeland Anti- Kick Back Act (19 U.S.C. 874) as supplemented in the Department of Labor Regulations (29 CFR Part 3). This Act provides that the Design-Build Team or Subcontractor shall be prohibited from inducing by any means, any person employed in the construction, completion or repair of public work, to give up any part of the compensation to which that person is otherwise entitled.

c. Fair Employment Law. The Design-Build Team shall comply with the fair employment provisions of NRS 338.125. The Design-Build Team agrees not to discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, sexual orientation or age. Such agreement shall include, but is not necessarily limited to, employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Design-Build Team further agrees to insert this provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials. Any violation of this provision by the Design-Build Team shall constitute a material breach of the Contract.

If the Design-Build Team or any of its Subcontractors refuses to hire or do business with an individual or company in violation of this provision, the Owner may declare the Design-Build Team in breach of the Contract, and the Owner may terminate the Contract and designate the Design-Build Team as not responsible for purposes of bidding future public work projects.

d. Preferential Employment. (This Section ☐ IS ☒ IS NOT Applicable to this Contract) The Design-Build Team shall comply with the preferential employment provisions of NRS Chapter 338.130. This law requires, in all cases where persons are employed in the construction of public works, preference must be given, when the qualifications of applicants are equal: First, to persons who have been honorably discharged from the Army, Navy, Air Force, Marine Corps or Coast Guard of the United States, a reserve component thereof or the National Guard, and are citizens of the State of Nevada; Second, to other citizens of the State of Nevada. If these provisions of NRS 338 are not complied with by the Design-Build Team engaged on the public work, the contract shall be void, and any failure or refusal to comply with any of these provisions of this section renders any such contract void.

e. Federal Wage Rates. (This Section ☒ IS ☐ IS NOT Applicable to this Contract). The Design-Build Team shall comply that the Federal Wage Rates attached (Exhibit F *to the Request For Final Proposal*) and incorporated herein as a part hereof which are applicable to the Contract. The wages paid under the Contract shall conform to the Davis-Bacon Act of March 3, 1931, as amended (46 Stat. 1494, as amended, 40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor Regulations (29-CFR, Part 5). If the State Wage Rates and Federal Wage Rates are not equal, the Contractor shall pay the higher prevailing rate.

f. Special Requirements. (This Section ☒ IS ☐ IS NOT Applicable to this Contract). The Design-Build Team shall comply with the requirements of Design-Build Team (Exhibit G *to the Request For Final Proposal*) incorporated herein as a part hereof which are applicable to the Contract.

Section 13.03 Compliance with Americans with Disabilities Act

The Work shall comply with the Americans with Disabilities Act (ADA) as amended to date. The Design-Build Team shall construct the Work in compliance with the ADA and the rules and regulations promulgated thereunder and shall immediately notify the Owner of any conflicts between the Contract Documents and the Act or the rules and regulations promulgated thereunder.

Section 13.04 Compliance with Immigration Reform Control Act of 1986

In accordance with the Immigration Reform and Control Act of 1986, the Design-Build Team shall not employ unauthorized aliens in the performance of the Contract.

Section 13.05 Air Pollution Control

Prior to commencing the Work, the Design-Build Team shall obtain a permit from the Clark County Department of Air Quality and Environmental Management.

The Design-Build Team shall perform the Work in a manner that does not discharge smoke, dust or other air contaminants into the atmosphere from any source whatsoever, in violation of the laws, rules and regulations of federal, state and local government pertaining to air pollution including, but not necessarily limited to, the following:

i. Nevada Revised Statute 445: Air Quality Regulations
ii. Title 40 Code of Federal Regulations (CFR) Part 82 Protection of Stratospheric Ozone – Refrigerant Regulations
iii. Adhering to all Clark County Department of Air Quality and Environmental Management regulations.

The Design-Build Team shall not be granted any time extensions for delays due to compliance with or violations of the aforementioned laws, rules or regulations, and shall pay all compliance costs and violation fines and penalties. Such imposed fines and penalties shall not result in an increase in the Contract Amount, and are not subject to reimbursement by the Owner.

Section 13.06 Fire Prevention

The Design-Build Team shall conform to all federal, state, and local laws and regulations pertaining to burning, fire prevention, and control within or adjacent to the Work Site. Necessary precautions to avoid and eliminate fire hazards shall be the responsibility of the Design-Build Team.

All tarpaulins used for any purpose during construction of the Work shall be made of material resistant to fire, water, and weather and shall bear UL labels. Lighting of any fires on the Project Site is strictly forbidden.

The Design-Build Team shall provide portable fire extinguishers compatible with the hazard of each work area and shall instruct its personnel in their location and use. Wherever welding or burning is conducted, inflammable materials shall be protected and a fire watch shall be provided by the Design-Build Team to be present during the burning and welding operation to ensure that protective measures are taken and no fires result from such operation. The fire watch shall have fire extinguisher equipment readily available and know-how for proper use.

Section 13.07 Provisions Required by Law

Each and every provision of Nevada Revised Statutes Chapter 338 and 624 and any other laws required to be inserted in this Contract shall be deemed to be inserted herein and the Contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or inserted incorrectly, then upon the application of either party, the Contract shall be amended to make such insertion or correction.

Section 13.08 Stormwater Pollution Control

Prior to commencing the Work, the Contractor shall obtain a National Pollutant Discharge Elimination System (NPDES) permit from Nevada Division of Environmental Protection (NDEP) for construction activities.

The Contractor shall perform the Work so as to not discharge stormwater runoff containing pollutants or sediment into the waters of the United States (including municipal separate storm sewer systems [MS4s]) in violation of federal and state laws, rules, and regulations and the Owner's water pollution requirements.

The Contractor shall:

i. Comply with the provisions of Nevada Revised Statutes, Chapter 445A: Water Pollution Control and City of Las Vegas Municipal Code 14.18; and
ii. Adhere to all Federal regulations under 40 CFR 122.26(b)(14).
iii. Provide to the Owner, prior to commencing construction operations, copies of all associated permits or waivers.

All information and forms pertaining to Nevada's Stormwater NPDES Permitting Program can be found on the following website: http://ndep.nv.gov/bwpc/storm01.htm.

The City, state, and federal regulations identified above are hereby incorporated by reference as preconditions of this Contract. The Contractor shall familiarize itself with these regulations and practices, and is advised that prior to engaging in any construction activities, the Contractor shall submit a Notice Of Intent (NOI) to the Nevada Division of Environmental Protection. A Storm Water Pollution Prevention Plan (SWPPP) must be completed prior to submission of the NOI and must remain on the project site and be updated as necessary for the duration of the project. As applicant, the Contractor is responsible for insuring that all persons on the project site, including contractor and subcontractor personnel, abide by the conditions of the permit. As the applicant, the Contractor is responsible for supplying complete copies of the NOI and SWPPP to all project subcontractors.

Upon completion of the project, the Contractor must (at no additional cost to the owner) permanently stabilize the construction area and file a Notice of Termination (NOT) with NDEP to terminate the permit.

The Contractor shall not be granted any time extensions for delays due to compliance with or violations of the aforementioned laws, rules, regulations, and requirements and shall pay all compliance costs and violation fines and penalties. Such imposed fines and penalties shall not result in an increase in the Contract Amount, and are not subject to reimbursement by the Owner.

Section 13.09 Disposal of All Wastes (Hazardous, Toxic, and Non-Hazardous

Contractor shall be responsible for disposal of all waste materials including non-hazardous, hazardous, or toxic materials. Contractor shall make its own arrangements for disposal or recycle of all waste materials and shall pay all costs associated with the proper disposal of the all waste.

Contractor shall obtain written verification in term of the landfill weight ticket, recycling certificate from the disposal site owner or operator with a written release from the disposal site owner or operator absolving the Owner of any and all responsibility in connection with the disposal of waste material on said property.

Unless otherwise provided, full compensation for all costs involved in disposing of materials as specified in this section, including all costs of hauling, shall be considered as included in the price paid for the Contract items of work involving such material and no additional compensation will be allowed therefore.

No waste material that is to be disposed shall be stockpiled on the Owner's property or the project site longer than seven (7) days, unless otherwise approved by the Owner. Prior to initiating construction, the Contractor shall provide to the Owner a proposed temporary stockpile location. Construction debris and materials shall not be stockpiled in unapproved locations.

For hazardous or toxic materials waste, Contractor shall comply with all local, State, and federal regulations including but not limited to Resources Conservation and Recovery Act (RCRA), Toxic Substance Control Act (TSCA). Contractor must fill out the Waste Manifest and provide a copy of the Manifest to the Owner. Contractor (or its subcontractor) shall provide all necessary licenses or permits documentation for handling, transportation and disposal of hazardous or toxic materials as submittal information to the Owner. Contractor is responsible for identify/classify the hazardous waste, getting an EPA hazardous waste site number by filing the paperwork with NDEP as the hazardous waste generator, retaining certified RCRA hazardous waste transporter subcontractor, properly dispose the RCRA hazardous waste in certified hazardous waste treatment or landfill sites, deactivated the EPA hazardous waste site number when the job is done, and provide safe handling training to contractor employees.

Section 13.10 Compliance with National Environmental Policy Act (NEPA)
If this contract is sponsored in whole or part through Federal funding, Contractor is required to comply with NEPA requirements including but not limited to, compliance with Clean Air Act, Clean Water Act, Endangered Species Act, National Historic Preservation Act, Migratory Bird Treaty Act, Resource Conservations and Recovery Act (RCRA), Toxic Substance Control Act (TSCA).

SECTION 14. CONTRACT INTERPRETATION

Section 14.01 General

The Contract shall be construed and enforced in accordance with the laws of the State of Nevada. Any action for the enforcement of any provision of this Contract shall be instituted in the County of Clark, State of Nevada.

Section 14.02 Intent and Correlation

The Contract is intended to include all items necessary for the proper execution and completion of the Work. The Contract Documents are complementary, and what is required by one portion or section of the Contract shall be as binding as if required by all. Any work not covered in the Contract will not be required unless it is consistent with the Contract Documents, and it is reasonably inferable or necessary to produce the intended results or provide a complete work. Words and abbreviations, which have well known technical or trade meanings, are used in the Contract Documents in accordance with such recognized meanings.

Section 14.03 Governing Order of Contract Documents

The Contract Documents include various divisions, sections, and conditions, which are essential parts for the work to be provided by the Design-Build Team. In case of discrepancy, the lower number document will govern over the higher numbered document according to the following order of precedence, unless to do so would contravene the intent of the Contract Documents as determined by the Owner:

1. Change Orders
2. Addenda, with those of later date having precedence over those of an earlier date
3. Design-Build Contract
4. General Conditions
5. Bridging Documents, Drawings and Referenced Standards (these documents are to be construed together in determining the intent of the Owner)

Section 14.04 Conflicting Conditions

In the event of inconsistencies within or between parts of the Contract Documents, or between the Contract Documents and applicable standards, codes and ordinances, the Design-Build Team shall (i) provide the better quality or greater quantity of Work or (ii) comply with the more stringent requirement; either or both in accordance with the Owner's interpretation.

Section 14.05 Graphic Enhancement

Graphic enhancement of any text of the Contract such as bolding, underlining, italics, etc. is added for ease of reference and shall not be interpreted as placing additional importance on the enhanced text or lessening the importance of text without such enhancement.

SECTION 15. MISCELLANEOUS PROVISIONS

Section 15.01 Regulatory Authorities

The Design-Build Team does hereby acknowledge and agrees that the Department of Public Works, by or through its Architectural Services Division, acting as the Owner's Designated Representative for purposes of the Project, does not have any control, authority or influence over the decisions or requirements of regulatory authorities which are separate from the Owner, or which are departments of the Owner including, but not limited to, the Building Department, Fire Department, Planning Department or other divisions within the Department of Public Works acting in a regulatory manner. The Design-Build Team is responsible for complying with the requirements imposed by the regulatory authorities (including the departments of the Owner acting in a regulatory manner) and any delays resulting to the Design-Build Team in the performance of the Contract from having to comply with such requirements are solely the responsibility of the Design-Build Team, and not attributable in any manner to the Owner.

The Owner's Designated Representative acts in a capacity similar to that of a representative working for a private property owner which is to ensure that the Owner receives a quality product, delivered on schedule, for a fair price. Furthermore, the Owner's Designated Representative does not speak or act for any regulatory authority, nor does any regulatory authority speak or act for the Owner's Designated Representative. The Design-Build Team agrees that its relationship with the regulatory authorities having jurisdiction over the Project is separate from its relationship with the Owner's Designated Representative, and that the Design-Build Team's interaction with each regulatory authority is to be conducted without assistance from the Owner's Designated Representative.

Section 15.02 Subcontracts

Any subcontract entered into by the Design-Build Team and its Subcontractor or material supplier shall not create any contractual relationship between the Owner and the Subcontractor or material supplier.

The Design-Build Team agrees to provide a copy of each subcontract (including contracts for the purchase of supplies) entered into by the Design-Build Team in connection with the Project if so requested by the Owner for any of the reasons set forth in NRS 338.140 (1)(d).

The Design-Build Team shall not substitute a subcontractor for any portion of the Work which was previously indicated would be performed by the Design-Build Team unless such substitution meets the requirements of NRS Chapter 338.

Section 15.03 Right to Review and Audit

The Design-Build Team agrees to maintain financial records pertaining to all matters relative to the Contract in accordance with standard accounting principles and procedures and to retain all records and supporting documentation applicable to the Design-Build Team for a period of three (3) years after completion of the Contract and any subsequent extensions thereof. All records subject to audit findings shall be retained for three (3) years after such findings have been resolved. In the event the Design-Build Team goes out of existence, the Design-Build Team shall turn over to the Owner all of its records relating to the Contract to be retained by the Owner for the required period of time.

The Design-Build Team agrees to permit the Owner or its authorized representative to inspect and audit its records and books relative to the Contract at any time during normal business hours and under reasonable circumstances and to copy and/or transcribe any information that the Owner desires concerning Design-Build Team's operation hereunder. The Design-Build Team further understands and agrees that the inspection and audit would be exercised upon written notice. If the Design-Build Team or its records and books are not located within Clark County, Nevada, the Design-Build Team agrees to deliver the records and books or have the records and books delivered to the Owner or its authorized representative at an address within the City of Las Vegas as designated by the Owner.

If the Owner or its authorized representative find that the records and books delivered by the Design-Build Team are incomplete, the Design-Build Team agrees to pay the Owner the costs to travel (including travel, lodging, meals, and other related expenses) to the Design-Build Team's offices to inspect, audit, retrieve, copy and/or transcribe the complete records and books. The Design-Build Team further agrees to permit the Owner or its authorized representative to inspect and audit, as deemed necessary, the financial and performance records of the Project that may be required by relevant directives from the funding sources of the Owner.

If, at any time during the term of the Contract, or at any time after the expiration or termination of the Contract, the Owner or its authorized representative finds the Owner's dollar liability to the Design-Build Team is less than the payments made by the Owner to the Design-Build Team, the Design-Build Team agrees to repay the difference immediately to the Owner or, at the Owner's option, credit the difference against future payments due the Design-Build Team.

Section 15.04 Independent Design-Build Team

The Design-Build Team represents that it is fully experienced and properly qualified to perform the class of Work provided for herein, and that it is properly licensed, equipped, organized and financed to perform such Work. The Design-Build Team shall act as an independent Design-Build Team and not as an agent of the Owner in performing the Contract. The Design-Build Team shall maintain complete control over its employees and all of its subcontractor. Nothing contained in the Contract or any subcontract awarded by the Design-Build Team shall create any contractual relationship between any such subcontractor and the Owner. The Design-Build Team shall perform the Work in accordance with its own methods subject to compliance with the Contract.

Section 15.05 Severability

The invalidity, illegality, or unenforceability of any provision of the Contract or the occurrence of any event rendering any portion or provision of the Contract void shall in no way affect the validity or enforceability of any other portion or provision of the Contract. Any void provision shall be deemed severed from the Contract, and the balance of the Contract shall be construed and enforced as if the Contract did not contain the particular portion of provision held to be void. The parties further agree to amend the Contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this clause shall not prevent the entire Contract from being void should a provision which is of the essence of the Contract to be determined void.

Section 15.06 Assignment of Contractual Rights

The Design-Build Team shall not assign, transfer, convey or otherwise dispose of the Contract or its right, title or interest in or to the same, or any part thereto.

Section 15.07 Ownership and Use of Documents

The Design-Build Team will be furnished, one electronic set of drawings and Contract Documents. If additional sets are needed, the Owner will provide them at actual duplication cost. The Drawings, Bridging Documents, and any copies furnished by the Owner are and shall remain the Owner's property unless a consultant is used in the preparation of the Contact Documents in which case ownership shall be according to the agreement between the Owner and the consultant. They are to be used only with respect to the Project and are not to be used on any other project. Submission or distribution to meet official regulatory requirements for other purposes in connection with the Project is not to be construed as infringement of the copyright of the Owner's or Consultant's common law or other reserved rights.

Section 15.08 Prohibited Interests

No official of the Owner, who is authorized in such capacity and on behalf of the Owner to negotiate, make, accept or approve, or take part in negotiating, making, accepting, or approving any architectural, engineering, inspection, construction or material supply contract or any subcontract in connection with the construction of the Project, shall become directly or indirectly interested personally in the Contract or in any part hereof. No officer, employee, architect, attorney, engineer or inspector of, or for the Owner, who is authorized in such capacity and on behalf of the Owner to exercise any legislative, executive, supervisory or other similar functions in connection with the construction of the Project, shall become directly or indirectly interested personally in the Contract or in any part hereof, any material supply contract, subcontract, insurance contract, or any other contract pertaining to the Project.

Section 15.09 Waiver

No waiver of any breach or failure to enforce any of the terms, conditions or covenants of the Contract shall be construed to be a waiver of any succeeding breach of the same or similar provision of the Contract.

Section 15.10 No Personal Liability

No official, officer, employee or agent of the Owner shall in any way be personally liable or responsible for any covenant or agreement herein contained, whether expressed or implied, or for any statement, representation or warranty made in connection with the Contract.

Section 15.11 Contract Modification

The Contract represents the entire and integrated agreement between the Owner and the Design-Build Team and supersedes prior negotiations, representations or agreements, either written or oral, made by either party. The Contract may only be amended by a Modification.