

## SECTION 103

### AWARD AND EXECUTION OF CONTRACT

#### 103.01 CONSIDERATION OF PROPOSALS

- A. Proposals will be opened and read publicly at the time and place indicated in the Advertisement for Bids. Bidders, their authorized agents and other interested parties are invited to be present.
- B. The total sum read shall be subject to the provisions of determination of the lowest proposal requirements.
- C. No responsibility will attach to the Owner or any official or employee thereof for the pre-opening of, post-opening of, or the failure to open, a proposal not properly addressed and identified.
- D. The lowest proposal shall be the lowest total sum for which the entire work will be performed, including all items as specified on the proposal form. The lowest proposal shall be determined on the basis of the exact lowest total sum for which the entire work will be performed, arrived at by a correct computation by the Contracting Agency of all items specified in the proposal based on the unit prices contained therein. In the event of a discrepancy between written prices and numerical unit prices, the written unit prices shall govern. The Contracting Agency reserves the right to reject any proposal that omits prices for any unit price bid item on the proposal form.
- E. The right is reserved to reject any or all proposals, to waive technicalities, or to advertise for new proposals, if in the judgment of the awarding authority, the best interest of the Contracting Agency will be promoted thereby.

#### 103.02 AWARD OF CONTRACT

- A. The award of the contract, if awarded, will be to the lowest responsible bidder whose proposal complies with all the requirements prescribed. The award, if made, will be made within 45 calendar days after the opening of the proposals or as otherwise provided for. The successful bidder will be notified by letter, mailed to the address shown on the bidder's proposal, that the bidder's proposal has been accepted and that the bidder has been awarded the contract.
- B. Bidders submitting a proposal to a public body for a public work shall bear the responsibility to ascertain the relevancy of the "preference for certain contractors and other matters relating thereto" as provided by Nevada Revised Statute 338.147, as amended by Chapter 713 of the 1991 Nevada Legislative Session, as it relates to a Nevada Public Body awarding a contract for a public work.
- C. The date of the award of the contract shall be the date of the "Notice to Award."
- D. Five sets of the contract plans and drawings will be provided to the successful bidder without charge.

#### 103.03 CANCELLATION OF AWARD

- A. The Contracting Agency reserves the right to cancel the award of any contract at any time before the execution of said contract by all parties without any liability against the Contracting Agency.

**103.04 RETURN OF PROPOSAL GUARANTEE**

- A. All proposal guarantees, shall be retained until the award of the contract. The retained proposal guarantee of the unsuccessful bidders will be returned within 10 days following the award of the contract and that of the successful bidder will be returned after the required bonds have been furnished and the contract has been executed.

**103.05 REQUIREMENTS OF CONTRACT BONDS**

- A. Prior to the execution of the contract by the Contracting Agency, the Contractor shall file with the Contracting Agency surety bonds in the amounts and for the purposes noted below, duly executed by a responsible corporate surety authorized to issue such bonds in the state of Nevada and secured through an authorized agent satisfactory to the Contracting Agency. The Contractor shall pay all premiums and costs thereof and incidental thereto.
- B. Each bond must be signed by both the Contractor and surety and the Contractor shall give surety bonds with good and sufficient sureties; in the sum of not less than 100 percent of the contract price or as specified in the Special Provisions: First to ensure the claims of material men supplying materials to the Contractor, and of mechanics and laborers employed by the Contractor on the work required under these specifications; second to ensure the faithful performance of the contract; and third to guarantee the work.
1. The “**Labor and Material Bond**” shall be so conditioned as to ensure the benefit of persons furnishing materials to the Contractor and/or performing labor under the contract. This bond shall be maintained by the Contractor in full force and effect until the work is completed and accepted by the Contracting Agency and until all claims for materials and labor are paid.
  2. The “**Performance Bond**” shall be so conditioned as to ensure the faithful performance by the Contractor of all work under said contract within the time limit prescribed in a manner that is satisfactory and acceptable to the Contracting Agency; and that all materials and workmanship supplied by the Contractor will be free from original or developed defects.
  3. The “**Guarantee Bond**” shall be so conditioned that should original or developed defects or failures appear within a period of one year from the date of acceptance of the work by the Contracting Agency, the Contractor shall, at no additional cost to Contracting Agency, make good such defects and failures and make all replacements and adjustments required, within a reasonable time after being notified by the Contracting Agency to do so, and to the approval of the Engineer. This bond shall be maintained by the Contractor in full force and effect for a period as specified after the date of acceptance of the work by the Contracting Agency. This guarantee bond shall not limit the Contracting Agency's rights with respect to latent defects, gross mistakes, or fraud.
- C. Should any surety become insufficient, the Contractor shall renew the bond or bonds within 10 days after receiving notice from the Contracting Agency that the surety is insufficient.
- D. Should any surety be deemed unsatisfactory at any time by the Contracting Agency, notice will be given the Contractor to that effect, and the Contractor shall forthwith substitute a new surety satisfactory to the Contracting Agency. No further payment shall be deemed due or will be made under the contract until the new surety shall qualify and be accepted by the Contracting Agency.

**103.06 EXECUTION AND APPROVAL OF CONTRACT**

- A. The contract shall be signed by the successful bidder and returned, together with the contract bonds, within 15 calendar days after the contract has been mailed to the bidder. If the contract is not executed by the Contracting Agency within 45 calendar days or as otherwise provided for following receipt from the bidder of the signed contract and bond, the bidder shall have the right to withdraw the bid without penalty. No contract shall be considered as effective until it has been fully executed by all parties thereto.

**103.07 FAILURE TO EXECUTE CONTRACT**

- A. Failure to properly sign the contract and file acceptable bonds shall be just cause for the annulment of the award and the forfeiture of the proposal guarantee which shall become the property of the Contracting Agency, not as a penalty, but as liquidation of damages sustained. Award may then be made to the next lowest responsible bidder as provided in Subsection [103.02](#), "Award of Contract," or the work may be readvertised and constructed under contract or otherwise, as the Contracting Agency may decide.