

## INDEPENDENT CONTRACTOR AGREEMENT

This **INDEPENDENT CONTRACTOR AGREEMENT** is hereby entered into this - \_\_\_\_ day of September 2022 (“Effective Date”) by and between **Grand County**, a political subdivision of the State of Utah, located at 125 E. Center Street, Moab, UT 84532 (the “County”) and **S&S Enterprises**, a Utah limited liability company located at 4951 US-191, Moab, UT 84532 (the “Contractor”).

### WITNESSETH

WHEREAS Contractor is willing to provide services to County as an Independent Contractor, and County is willing to accept services from and compensate Contractor for said services subject to this Agreement;

NOW THEREFORE, in consideration of the mutual promises and covenants set forth in this Agreement, County and Contractor agree as follows:

1. **SERVICES.** Contractor herewith agrees to perform the following services, as more particularly described in the Scope of Work attached hereto as *Exhibit A* (the “Services”):

**Demolition of the “Melich” house adjacent to the northwestern side of the County Courthouse and backfill the basement when finished. Parcel 01-0B18-0010 40 N 100 E, Moab.**

The Parties acknowledge that they may amend and modify the Services only through written Amendment, which shall be attached to this Agreement and incorporated herein upon mutual execution.

2. **PROJECT SCHEDULE.** Contractor shall complete the Services on the following schedule (the “Project Schedule”):

**The project start date depends on scheduling, weather, and the cost/availability of construction materials. The project end date is before the end of the year December 31, 2022.**

Contractor shall use commercially reasonable efforts to meet the Project Schedule, and the County agrees to cooperate in good faith to allow Contractor to meet the Project Schedule in a timely and professional manner. The Parties acknowledge that they may amend and modify the Project Schedule only through written Amendment, which shall be attached to this Agreement and incorporated herein upon mutual execution.

3. **PROPERTY.** Contractor shall perform the Services for the benefit of real property owned by the County located at **40 N 100 E Moab, Utah. 84532** (the “Property”). The County warrants and represents that it owns the Property.

4. **TERM OF AGREEMENT.** Subject to Section 2, this Agreement shall begin on the Effective Date and shall expire on or before December 31, 2022.
5. **PAYMENT.**
  - a. Compensation. County shall pay Contractor, and Contractor shall accept from County, in full payment for the Services under this Agreement, the following compensation: **\$38,000.00** (the "Compensation"). Contractor shall invoice the County upon completion of the Services, and the County shall pay Contractor within thirty (30) days of the County's approval of the same.
  - b. Lien Waivers. As a condition precedent to each payment under this Agreement, including the final payments, not later than the date of payment request, the Contractor shall furnish affidavits and lien waivers and releases in the form attached hereto, confirming that no liens or rights in rem of any kind lie upon or have attached against the Property, the Services or materials, articles or equipment therefore and shall furnish such other documents as may be required by the County as may be necessary in its judgment to protect its interests, including, without limitation, monthly waivers of mechanics', laborers' and materialmen's liens by all subcontractors and all suppliers who have supplied material and/or labor for the Services. The Contractor agrees that no liens or rights in rem shall so lie or attach, and the Contractor shall indemnify and hold harmless from and against such liens, rights and any and all expenses incurred by the Contractor or the County in discharging them.
6. **NOTICE OF COMPLETION.** Contractor shall submit to the County a written and dated Notice of Completion once the Services are complete. The County may object to the Notice of Completion in writing within fifteen (15) days of the Notice of Completion Date by describing the incomplete work. Contractor shall have thirty (30) days from the Objection Date to respond or complete the Services required hereunder, at which time the Contractor shall submit to Client a written and dated Final Notice of Completion. If the County does not timely object hereunder, then the Services shall be deemed acceptable to the County.
7. **PROFESSIONAL LICENSES & COMPLIANCE WITH LAWS.** Contractor shall obtain and be responsible for all occupational and professional licenses and permits required to perform the Services prior to the commencement of the same. Further, Contractor shall comply with all federal, state, and local laws, ordinances and regulations governing the Services.
8. **CONTRACTOR, DEFINED.**
  - a. Independent Contractor. Contractor is and shall always be an independent contractor with respect to the Services performed hereunder. Contractor accepts full and exclusive liability for the payment of any and all premiums,

contributions, or taxes for workers compensation, Social Security, unemployment benefits, or other employee benefits now and hereinafter imposed under any state or federal law which are measured as wages, salaries or other remuneration paid to persons employed by Contractors on work performed under the terms of this Agreement.

- b. No Third-Party Beneficiary. Nothing contained in this Agreement, nor any act of the County or Contractor, shall be deemed or construed to create any third-party beneficiary or principal and agent association or relationship involving the County. The Contractor has no authority to take any action or execute any documents on behalf of the County.
  - c. Miscellaneous. As used herein, Contractor shall include all owners, members, shareholders, directors, officers, agents, employees, heirs, assigns, and subcontractors of Contractor. All Contractor's employees engaged hereunder shall be at least 18 years of age. Further, the County reserves the right to remove employees of Contractor or Subcontractor engaged hereunder for substandard work, gross negligence or intentional disregard for county property, or drug or alcohol use.
  - d. This Section shall survive expiration or termination of this Agreement.
9. **CONFIDENTIALITY**. All designated confidential information disclosed by the County to the Contractor hereunder shall be kept confidential by Contractor. In such event, Contractor agrees to use all reasonable precautions to ensure that all such confidential information is properly protected and kept from unauthorized persons or disclosure. This Section shall survive expiration or termination of this Agreement.

#### 10. REPRESENTATIONS AND WARRANTIES.

- a. Best Efforts. Contractor warrants that the materials and equipment furnished under this Agreement shall be of good quality and new, unless otherwise required or permitted hereunder, that the Services shall be free from defects not inherent in the quality required or permitted, and that the Services shall conform with the requirements hereunder. The Services not conforming to these requirements, including substitutions not properly approved and authorized, shall be considered defective. If required by the County, Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment.
- b. Service Warranty. Warranty Contractor further warrants that the Services shall be free of defects and deficiencies for a period of one (1) year after the Final Notice of Completion Date (the "Warranty Period"). The County may enforce the Warranty by providing a written Notice of Deficiency within the Warranty Period.

Contractor shall have thirty (30) days from the Notice of Deficiency Date to inspect, object/respond, or repair/replace the Services.

- c. Legal Compliance. Contractor shall comply with all federal, state, and local laws, ordinances and regulations governing the Services.
- d. This Section shall survive expiration or termination of this Agreement.

## 11. INSURANCE.

- a. General. Prior to Contractor's commencement of the Services and during the term of this Agreement, Contractor shall carry the following insurance with an insurance company duly admitted into the State of Utah which maintains an A.M. Best rating of "A-" or better:
  - i. *Commercial General Liability* with coverage not less than \$1 million each occurrence with a \$2 million combined single limit. Such insurance shall cover liability arising from premises, operations, independent contractors, product-completed operations, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the Commercial General Liability form arising from pollution, explosion, collapse, underground property damage, or work performed by Contractors;
  - ii. *Workers' Compensation and Employers' Liability Insurance* with coverage of not less than \$1,000,000 for bodily injury caused by accident and \$1,000,000 for bodily injury by disease; and
  - iii. *Business Auto Liability Insurance* with coverage of not less than \$1,000,000 for each accident.
- b. Certificates of Insurance. Each Certificate of Insurance shall be attached hereto as ***Exhibit B*** and provide the following: a) designation of the County as an Additional Insured; and b) an endorsement for Waiver of Subrogation. Early cancellation or termination of the County's coverage hereunder shall constitute default.
- c. Survival. This Section shall survive expiration or termination of this Agreement.

12. BREACH. As used herein, Breach shall mean any failure to by a party hereunder to perform any of its obligations under this Agreement, including but not limited to: Contractor's failure to commence or otherwise perform the Services in accordance with the provisions of this Contract, Contractor's failure to use an adequate amount or quality of personnel or equipment to complete the Services without delay, a party's adjudication as bankrupt, assignment of this Agreement for the benefit of its creditors, insolvency, or any party's failure to make prompt payments required hereunder, including Contractor's payments to its subcontractors, materialman, or laborers.

13. TERMINATION OF AGREEMENT.

- a. By the County. In the event of Contractor's Breach hereunder, the County may, after giving the Contractor three (3) days' written notice, terminate this Contract and take possession of the Services. Upon receipt of such notice, Contractor shall cease operations and terminate existing subcontractors and purchase orders to the extent directed in the notice and complete such portions of the Services and take all actions to mitigate any losses and damages arising from the termination, as specified in the notice. Upon termination pursuant to this Section, the Contractor shall be entitled to receive, as full and final compensation for the Services, the Contract Sum attributable to the Services properly performed prior to the effective date of termination to the extent not previously paid and reasonable and necessary termination expenses for demobilization (subject to the County's receipt of supporting documentation acceptable to the County) and the rateable proportion of the Contractor's profit earned as of that date, provided, however, that the total amount paid to Contractor pursuant to this Section shall not exceed the Compensation.
- b. By the Contractor. Contractor shall have the right to terminate this Contract in the event the County has failed, without cause, to make payment required hereunder, or the Project has been suspended for more than one hundred twenty (120) days; however, provided that such suspension is not the result of acts of force majeure or acts or omissions of the Contractor.
- c. Effect of Termination. In the event of termination under this Section, this Agreement (other than those Sections which survive termination, as stated herein), shall forthwith become wholly void and of no further force and effect; provided, however, that nothing herein shall relieve any party from liability for willful Breach of this Agreement.

14. INDEMNIFICATION. The Services performed by Contractor shall be at the risk of Contractor exclusively. Contractor herewith agrees to indemnify, defend, and hold the County, its officers, agents, officials and employees, harmless from any action, causes of action, claims for relief, demands, damages, expenses, costs, fees, taxes, or compensation, whether or not said actions, causes of action, claims for relief, demands, damages, costs, fees, expenses and/or compensations are known or unknown, are in law or equity, and without limitation, all claims of relief which can be set forth through a

complaint or otherwise that may arise out of the acts or omissions, negligent or otherwise of the contractor, the County or their respective officers, officials, agents, or employees, or any person or persons. This Section shall survive expiration or termination of this Agreement.

15. **FORCE MAJEURE.** Neither party shall be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control (“Force Majeure”), including, without limitation, strikes; work stoppages; acts of war or terrorism; civil or military disturbances; nuclear or natural catastrophes or acts of God; global, state-wide or local pandemics; state-wide or local states of emergencies which cause travel or movement restrictions; and interruptions or malfunctions of utilities, communications or computer (software and hardware) services; provided, however, that each party shall use reasonable efforts consistent with accepted practices in their respective industries to resume performance as soon as practicable under the circumstances. This Section shall survive expiration or termination of this Agreement.
16. **ENTIRE AGREEMENT.** This Agreement together with its exhibits and RFB and bid documents contains the complete Agreement concerning the contracted service arrangement between the parties and shall, as of the effective date hereof, supersede all other Agreements between the parties. The parties stipulate that neither of them has made any representations with respect to the subject matter of this Agreement or any representations including the execution and delivery of this Agreement except such representations as are specifically set forth in this Agreement and each of the parties acknowledges that they or it have relied on its own judgment in entering into this Agreement. The Parties further acknowledge that any payments or representations that may have been made by either of them to the other prior to the date of executing this Agreement are of no effect and that neither of them has relied thereon in connection with their or its dealings with the other. The Contractor may subcontract out a portion of the work to another party only with the express written permission of Grand County. It is acknowledged that any Agreement between the Contractor and Subcontractor is not binding on Grand County.
17. **MODIFICATION OF AGREEMENT.** Any modification of this Agreement or additional obligation assumed by either party in connection with this Agreement shall be binding only if evidenced by writing signed by each party or an authorized representative of each party.
18. **NO ASSIGNMENT.** This Agreement is not assignable without the written consent of the Parties.
19. **DISPUTES.** Should any disputes arise with respect to this Agreement, the Contractor and the County agrees to act immediately to resolve any such disputes. Time is of the essence in the resolution of disputes. The Contractor agrees that the existence of a dispute notwithstanding, it will continue without delay to carry out all its responsibilities under this Agreement in the accomplishment of all non-disputed work, any additional costs

incurred by the Contractor or County as a result of such failure to proceed shall be borne by the Contractor; and the Contractor shall not make a claim against the County for such costs.

20. **CHOICE OF LAW.** It is the intention of the parties to this Agreement that this Agreement and the performance under this Agreement, and all suits and special proceedings under this Agreement, be construed in accordance with and under and pursuant to the laws of the State of Utah and that, in any action, administrative action, special proceeding or other proceeding that may be brought arising out of, in connection with, or by reason of this Agreement, the laws of the State of Utah shall be applicable and shall govern to the exclusion of the law of other forums. Any such action shall be brought in the 7<sup>th</sup> Judicial District, State of Utah, Grand County. This Section shall survive expiration or termination of this Agreement
21. **NO WAIVER.** The failure of either party to this Agreement to insist upon the performance of any of the terms and conditions of this Agreement, or the waiver of any breach of any of the terms and conditions of this Agreement, shall not be construed as thereafter waiving any such terms and conditions, but the same shall continue and remain in full force and effect as if no such forbearance or waiver had occurred.
22. **SEVERABILITY.** The invalidity of any portion of this Agreement for any reason with not and shall not be deemed to affect the validity of any other provision. In the event that any provision of this Agreement is held to be invalid, the parties agree that the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both parties subsequent to the severing of the invalid provision.
23. **UNDERSTANDING AND EFFECT OF AGREEMENT.**
  - a. Parties acknowledge that they have been advised to consult legal counsel and have had the opportunity to consult with legal counsel prior to entering into this Agreement.
  - b. Parties warrant that they enter into this Agreement with full knowledge of the meaning and future effect of the promises, releases and waivers contained herein.
  - c. Parties warrant that they have entered into the releases and waivers contained in this Agreement voluntarily and that they make them without any duress or undue influence of any nature by any person.
24. **PARAGRAPH HEADINGS.** The titles to the paragraphs of this Agreement are solely for the convenience of the parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this Agreement.
25. **ATTORNEYS' FEES AND COSTS.** In the event of dispute hereunder, the prevailing party, as determined by a court of competent jurisdiction, shall recover its attorneys' fees and costs incurred to enforce this Agreement.

26. DUTY OF NOTIFICATION. Upon filing for bankruptcy or insolvency proceeding by or against the Contractor, whether voluntary or involuntary, or upon appointment of a receiver, trustee, or assignee for the benefit of creditors, the Contractor shall immediately notify the County.

IN WITNESS WHEREOF, each party to this Agreement has caused it to be executed on the date indicated below.

\_\_\_\_\_  
Contractor's Signature                      Printed Name of Contractor and Title                      Date

\_\_\_\_\_  
County Signature                      Chair, Grand County Commission                      Date

ATTEST:

\_\_\_\_\_  
Grand County Clerk/Auditor                      Date

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**Contact Information**

**Contractor's Contact Information**

Name: kelly Sheets  
Title: Owner  
  
Address: 4951 S hwy 191  
Phone: 435.260.8220  
Fax:  
Email: kellywsheets@yahoo.com

**County's Assigned Project Manager**

Name: Shawn Fugit  
Title: Facilities Supervisor  
  
Address: 125 E. Center St.  
Phone: (235) 259-1314  
Fax: (435) 259-4139  
Email: sfugit@grandcountyutah.net

**Exhibit A**  
**Scope of Work**

Contractor herewith agrees to perform the Services as set forth in this Exhibit.

Demolition of "Melich" house adjacent to the northwestern portion of the County Courthouse and backfill the basement when finished.

Import fill for backfill and compaction included/compaction testing will be cost plus 10%

Tipping fees and trucking are included in bid

Any permits needed to be obtained by others

Documented proof of the absence of asbestos to be provided by the county. Any remediation or testing will be addressed by county or a change order

**EXHIBIT B**  
**Certificates of Insurance**

**CONDITIONAL WAIVER AND RELEASE OF LIENS AND CLAIMS**

1. The undersigned is the duly authorized agent for \_\_\_\_\_ (“**Contractor**”) and is authorized to grant, on Contractor’s behalf, the lien and claim waivers set forth herein.

2. Contractor has supplied or will supply laborers, machinery, tools, equipment, materials, and/or professional or skilled services (collectively, the “**Construction Work**”) to the real property described as follows:

Grand County Courthouse (collectively, the “**Property**”).

3. Contractor, for all Construction Work, including but not limited to Improvements, each as defined by the Utah Preconstruction and Construction Lien Act at Utah Statute § 38-1A-101, *et seq.*, supplied through the date of \_\_\_\_\_, shall, upon receipt of \$ \_\_\_\_\_ (“**Payment**”):

(a) release, relinquish, and waive any and all rights to and claims for a mechanics’ lien, notice to disburser or verified statement of claim against the Property arising out of any work performed or furnished by the Contractor in connection with the Construction Work, any related Improvements, or the Property; and

(b) release the owner(s) of the Property and its lender, managers, members, owners, officers, directors, agents, employees, contractors, affiliates and related entities (collectively, the “**Releasees**”) from any and all rights of action, liabilities, judgments, damages, losses, liens, and claims of any other kind or nature arising out of any work performed, furnished, and/or agreed to by the Contractor in connection with the Construction Work, any related Improvements, or the Property.

4. Contractor warrants that it has paid (or will pay upon Payment) in full all of its laborers, subcontractors, materialmen, suppliers, and any others for all labor, machinery, tools, equipment, materials and/or professional or skilled services provided in connection with the Construction Work and the Improvements.

5. Contractor warrants that, following Payment, should any lien or claim be filed for labor, machinery, tools, equipment, materials, and/or professional or skilled services performed in connection with the Construction Work and Improvements, Contractor will defend, indemnify, and hold harmless the Releasees against such lien or claim and, in addition, immediately either (i) obtain settlement of any such lien or claim and furnish Owner with a written and full release of such lien or claim, or (ii) furnish the Owner a bond, for release of such lien pursuant to law.

**NOTICE: This document waives rights conditionally. This document is enforceable against you if you sign it and once you have been paid.**

**I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF UTAH THAT THE ABOVE IS A TRUE AND CORRECT STATEMENT.**

IN WITNESS WHEREOF, I have hereunto set my hand and seal this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Signature: \_\_\_\_\_

Company Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF UTAH            )  
  ) ss.  
COUNTY OF GRAND        )

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_.

Witness my hand and official seal.

(SEAL)

\_\_\_\_\_  
Notary Public