

**LUMBER PURCHASE AGREEMENT
(NRS 332)**

THIS EQUIPMENT/PRODUCT PURCHASE AGREEMENT (also herein referred to as "Contract"), made and entered into this 9th day of August, 2018, by and between the Truckee Meadows Water Authority hereinafter called "TMWA" and Matheus Lumber Company, Inc., 15800 Woodinville Redmond Rd., NE, Woodville, WA 98072 hereinafter called the "Supplier".

WITNESSETH, that TMWA and the Supplier, for the consideration hereinafter named, agree as follows:

Article 1 Scope of Work

The Supplier shall furnish all equipment/product (the "Lumber") and provide all of the services described in the Technical Specifications prepared by TMWA and as amended by specific addenda, and shall do everything required by this Agreement in furnishing the Lumber, pressure-treated timbers, and plywood for use in flume construction to carry river water to the Fleish hydroelectric plant. All Lumber shall be bright, fresh stock; any Lumber delivered with excessive weathering, splitting, warping, cupping, checking, mold or decay will be rejected.

Delivery of all Lumber for the Fleish Flume 2014-2015 project shall be to TMWA's Verdi Lumber Yard located at 1256 Old Highway 40, Verdi, Nevada.

Article 2 Contract Time, Guaranteed Delivery Date, and Liquidated Damages

Supplier agrees to deliver the Lumber, in a good and satisfactory condition, pursuant to the Technical Conditions to the TMWA Verdi Lumber Yard site located at 1256 Old Highway 40, Verdi, Nevada by November 30, 2018. TMWA will off-load the lumber on site.

TMWA and Supplier recognize that time is of the essence of this Agreement.

Article 3 The Contract Sum

TMWA shall pay Supplier, as full compensation for furnishing all Lumber, services, and other specified items in accordance with the Contract Documents and to the satisfaction of TMWA, the lump sum amount of: Three Hundred Thirty Thousand Nine Hundred One and Eleven Cents (**\$330,901.11**) Dollars.

Article 4 Payment

Payment for each Lumber item described on the Bid Schedule will be made within 30 days of the later of: i) inspection by TMWA and acceptance of delivery of such item of Lumber; or ii) receipt of an invoice for the item.

Article 5 Acceptance and Final Payment

Testing and acceptance of the Lumber shall be as specified in the Technical Specifications, Bid and Contract Documents. Acceptance of final payment by the Supplier shall constitute a full waiver and release by the Supplier of all claims against TMWA arising out of or relating to this Agreement.

Article 6 The Contract Documents

The following is an enumeration of the Contract Documents that are fully a part of the Contract as if herein repeated:

1. Bid Documents and Bid Form
2. Agreement
3. Technical Specifications
4. Addenda

Article 7 Warranty

Supplier warrants that the Lumber furnished under the Contract will be of good quality and new unless otherwise required or permitted by the Contract Documents, that the Lumber will be free from defects and will conform with the requirements of the Technical Specifications, Bid and Contract Documents.

Article 8 Indemnification/Hold Harmless

TMWA has established specific indemnification and insurance requirements for contracts with Suppliers to help assure that reasonable insurance coverage is maintained. Indemnification and hold harmless clauses are intended, among other things, to assure that Suppliers accept and are able to pay for the loss liability related to their activities. All insurance conditions and requirements included in the Contract Documents shall be completed prior to the commencement of any work under this Agreement.

Supplier shall indemnify and hold TMWA harmless from any and all claims arising from Supplier's breach of this Agreement or failure to deliver the Lumber by the Guaranteed Delivery Date.

Article 9 Performance Bond (*Not Required*)

Article 10 Termination

In addition to other provisions of this Agreement, TMWA may terminate the Agreement in accordance with the procedures specified in the Technical Specifications upon giving Supplier seven day notice in writing.

Article 11 Governing Law

This Agreement shall be governed by, interpreted under and construed and enforced in accordance with the laws of the State of Nevada, with venue in the County of Washoe. Each of the parties hereto acknowledge and agree that the laws of the State of Nevada and the selection of venue in the County of Washoe were freely chosen by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

TRUCKEE MEADOWS WATER AUTHORITY

Dated: August 9, 2018

By: Mark Force
General Manager

ATTEST: Jay
TMWA Clerk

Dated: Aug. 9th, 2018

Supplier: MATHEUS LUMBER COMPANY INC.

By: Michael Warnek

Name: MICHAEL WARNEK

Title: ACCOUNT EXECUTIVE

STATE OF ~~NEVADA~~ ^{WASHINGTON})
Snohomish) ss:
COUNTY OF ~~WASHOE~~)

On this 9 day of August, 2018, personally appeared before me, a Notary Public, Michael Warnek, who acknowledged to me that he/she executed the foregoing Agreement For Work as the authorized representative of the Supplier.

Nancy Louise Thompson
Notary Public

