

AGREEMENT TO FURNISH CONSULTING SERVICES FOR OPERATIONAL SUPPORT OF THE CALIFORNIA STREET LANDFILL

This agreement for consulting services ("Agreement") is made and entered into this 21st day of February, 2006 ("Effective Date"), by and between the City of Redlands, a municipal corporation ("City") and Vector Engineering, Inc. ("Consultant") who are sometimes individually referred to herein as a "Party" and together, as the "Parties."

In consideration of the mutual promises contained herein, City and Consultant agree as follows:

ARTICLE 1 - ENGAGEMENT OF CONSULTANT

- 1.1 City hereby engages Consultant to perform professional consulting services for operational support of the City's California Street Landfill (the "Services") located at 2151 Nevada Street, Redlands, California.
- 1.2 The Services shall be performed by Consultant in a professional manner, and Consultant represents that it has the skill and the professional expertise necessary to provide the Services to City at a level of competency presently maintained by other practicing professional consultants in the industry providing like and similar types of services.

ARTICLE 2 - SERVICES OF CONSULTANT

- 2.1 The Services which Consultant shall perform are more particularly described in Exhibit "A," entitled "Scope of Services," which is attached hereto and incorporated herein by this reference.
- 2.2 Consultant shall comply with all applicable Federal, State and local laws and regulations in the performance of this Agreement including, but not limited to, the Americans with Disabilities Act and the Fair Employment and Housing Act.

ARTICLE 3 - RESPONSIBILITIES OF CITY

- 3.1 City shall make available to Consultant information in its possession that may assist Consultant in performing the Services.
- 3.2 City will make provision for Consultant to enter upon City-owned property, as required by Consultant, to perform the Services.
- 3.3 City designates Gary Van Dorst, as City's representative with respect to performance of the Services, and such person shall have the authority to transmit instructions, receive

information, interpret and define City's policies and decisions with respect to performance of the Services.

ARTICLE 4 - PERIOD OF SERVICE

- 4.1 Consultant shall perform the Services in a prompt and diligent manner, and in accordance with the schedule set forth in Exhibit "B," entitled "Project Schedule."

ARTICLE 5 - PAYMENT AND NOTICE

- 5.1 The total compensation for Consultant's performance of the Services shall not exceed the amount of Forty Thousand Dollars (\$40,000.00). City shall pay Consultant on a time and materials basis up to the not to exceed amount, in accordance with Exhibit "C" entitled "Project Fee," and based upon the hourly rates shown in Exhibit "D," entitled Rate Schedule.
- 5.2 Payments by City to Consultant shall be made within thirty (30) days after receipt and approval by City of Consultants's invoice, by warrant payable to Consultant. Invoices shall be sent on a monthly basis.
- 5.3 All notices shall be given in writing by personal delivery or by mail. Notices, sent by mail should be addressed as follows:

City: Gary Van Dorst
Municipal Utilities Department
PO Box 3005
Redlands, CA 92373

Consultant: Scott Purdy, President, CEO
Vector Engineering, Inc.
143 E. Spring Hill Drive
Grass Valley, CA 95945

When so addressed, such notices shall be deemed given upon deposit in the United States Mail. Changes may be made in the names and addresses of the person to who notices and payments are to be given by giving notice pursuant to this section.

ARTICLE 6 - INSURANCE AND INDEMNIFICATION

- 6.1 All insurance required by this Agreement shall be maintained by Consultant for the duration of its performance of the Services. Consultant shall not perform any Services pursuant to this Agreement unless and until all required insurance listed below is obtained by Consultant. Consultant shall provide City with certificates of insurance and endorsements evidencing such insurance prior to commencement of the Services. All

insurance policies shall include a provision prohibiting cancellation of the policy except upon thirty (30) days prior written notice to City.

6.2 A. Consultant shall secure and maintain Workers' Compensation and Employer's Liability insurance throughout the duration of this Agreement in an amount which meets the statutory requirement with an insurance carrier acceptable to City. The insurance policy shall include a provision prohibiting cancellation of said policy except upon thirty (30) days prior written notice to City.

B. Consultant expressly waives all rights to subrogation against City, its elected officials, officers and employees for losses arising from work performed by Consultant for City by expressly waiving Consultant's immunity for injuries to Consultant's employees and agrees that the obligation to indemnify, defend and hold harmless provided for in this Agreement extends to any claim brought by or on behalf of any employee of Consultant. This waiver is mutually negotiated by the Parties. This waiver shall not apply to any damage resulting from the sole negligence of City, its agents and employees. To the extent any of the damages referenced herein were caused by or resulted from the concurrent negligence of City, its agents or employees, the obligations provided herein to indemnify, defend and hold harmless are valid and enforceable only to the extent of the negligence of Consultant, its officers, agents and employees.

6.3 Hold Harmless and Indemnification. Consultant shall indemnify, hold harmless and defend City and its elected officials, employees and agents from and against any and all claims, losses or liability, including attorneys' fees, arising from injury or death to persons or damage to property occasioned by any act, omission or failure to act by Consultant, its officers, employees and agents in performing the Services.

6.4 Assignment. Consultant is expressly prohibited from assigning any of the Services without the express written consent of City. In the event of mutual agreement between Parties to assign a portion of the Services, Consultant shall add the assignee as an additional insured and provide City with the insurance endorsements prior to the performance of any services by the assignee. Assignment does not include printing or other customary reimbursable expenses that may be provided in this Agreement.

6.5 Comprehensive General Liability Insurance. Consultant shall secure and maintain in force throughout the duration of the Agreement comprehensive general liability insurance with carriers acceptable to City. Minimum coverage of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate for public liability, property damage and personal injury is required. City shall be named as an additional insured the insurance policy shall include a provision prohibiting cancellation of said policy except upon thirty (30) days prior written notice to City. Such insurance shall be primary and non-contributing to any insurance or self-insurance maintained by City. Certificates of insurance and endorsements shall be delivered to City prior to commencement of work.

- 6.6 Professional Liability Insurance. Consultant shall secure and maintain professional liability insurance throughout the duration of this Agreement in the amount of one million dollars (\$1,000,000) per claim made. Certificate of liability insurance and endorsement shall be delivered to City prior to commencement of the services.
- 6.7 Business Auto Liability Insurance. Consultant shall have business auto liability coverage, with minimum limits of one million dollars (\$1,000,000) per occurrence, combined single limit for bodily injury liability and property damage liability. This coverage shall include all Consultant owned vehicles used on the project, hired and non-owned vehicles, and employee non-ownership vehicles. Such insurance shall be primary and non-contributing to any insurance or self insurance maintained by City. City shall be named as an additional insured and a certificate of liability insurance and endorsement shall be delivered to City prior to commencement of the services.

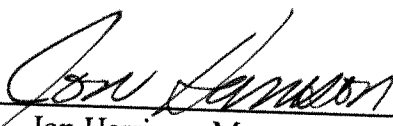
ARTICLE 7 - GENERAL CONSIDERATIONS

- 7.1 In the event any action is commenced to enforce or interpret any of the terms or conditions of this Agreement the prevailing Party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees, including fees for in-house counsel of the Parties at rates prevailing in San Bernardino County, California.
- 7.2 Consultant shall not assign any of the Services to be performed under this Agreement, except with the prior written approval of City and in strict compliance with the terms, provisions and conditions of this Agreement.
- 7.3 Consultant's key person to perform the Services is Scott Purdy, President, CEO. Consultant agrees that this key person shall be made available and assigned to perform the Services and that she shall not be replaced without concurrence from City.
- 7.4 All documents, records, drawings, designs, cost estimates, electronic data files, databases, and other documents developed by Consultant pursuant to this Agreement, and any copyright interest in such documents, shall become the property of City and shall be delivered to City upon completion of the Services, or upon the request of City. Any reuse of such documents and any use of incomplete documents will be at City's sole risk.
- 7.5 Consultant is for all purposes an independent contractor. Consultant shall supply all tools and instrumentalities required to perform the Services. All personnel employed by Consultant are for its account only, and in no event shall Consultant or any personnel retained by it be deemed to have been employed by City or engaged by City for the account of, or on behalf of City.
- 7.6 Unless earlier terminated, as provided for below, this Agreement shall terminate upon completion and acceptance of the Services by City.

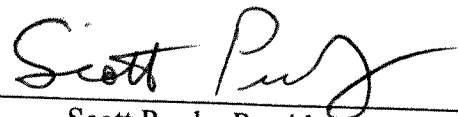
- 7.7 This Agreement may be terminated by City, in its sole discretion and without cause, by providing five (5) business days prior written notice to Consultant (delivered by certified mail, return receipt requested) of intent to terminate.
- 7.8 If this Agreement is terminated by City, an adjustment to Consultant's compensation shall be made, but (1) no amount shall be allowed for anticipated profit or unperformed services, and (2) any payment due Consultant at the time of termination may be adjusted to the extent of any additional costs to City occasioned by any default by Consultant.
- 7.9 Upon receipt of a termination notice, Consultant shall immediately discontinue all services affected, and within five (5) days of the date of the termination notice, deliver or otherwise make available to City, copies (in both hard copy and electronic form, where applicable) of any data, design calculations, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by Consultant in performing the Services required by this Agreement. Consultant shall be compensated on a pro-rata basis for work completed up until notice of termination.
- 7.10 Consultant shall maintain books and accounts of all payroll costs and expenses related to the Services. Such books shall be available at all reasonable times for examination by City at the office of Consultant.
- 7.11 This Agreement, including the Exhibits incorporated herein by reference, represents the entire agreement and understanding between the Parties as to the matters contained herein, and any prior negotiations, written proposals or verbal agreements relating to such matters are superseded by this Agreement. Any amendment to this Agreement shall be in writing, approved by City and signed by City and Consultant.
- 7.12 This Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, duly authorized representatives of the City and Consultant have signed in confirmation of this Agreement.

CITY OF REDLANDS

By: 
Jon Harrison, Mayor

VECTOR ENGINEERING, INC.

By: 
Scott Purdy, President
VICE

Attest:

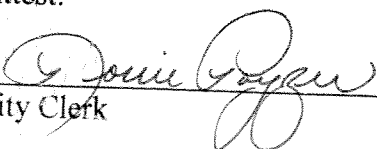

City Clerk

EXHIBIT A

SCOPE OF SERVICES

**AGREEMENT TO PROVIDE CONSULTING SERVICES
FOR OPERATIONAL SUPPORT
of the
CALIFORNIA STREET LANDFILL**

SCOPE OF SERVICES

Operations Support

Operational support is necessary to address rapid field changes that may occur as the top deck fill area is reduced to minimize loss of capacity and ensure that testing and record filing is conducted on schedule. Our landfill operations specialist will provide assistance to John Smith and other landfill personnel regarding drainage enhancements, berms, roads, excavation, winter decks, sequencing, compaction, and other items as necessary. Our landfill expert will utilize interim fill sequencing plans prepared by Vector as part of this task to assist in the landfill operation.

Our landfill operations specialist will be at the site to review progress and monitor compliance once every two months over the 18-month working period. The visits will be conducted by Scott Purdy, Vector's vice president and project manager for this job. Our project manager will supervise the updated interim fill sequencing plans and meet in the field with the City's site personnel to ensure compliance.

Interim phase planning is necessary to keep the field operations running smoothly, avoid loss of volume, and ensure that any transitions to future cells occur with a minimum of disruption and costs. This task will involve landfill master planning under the current final grading plan. The landfill master planning (interim phase planning) will involve the preparation of fill sequencing drawings showing the landfill operator where to place refuse. We will utilize the existing drawings prepared during our previous work as a foundation for our drawings. We will also utilize the survey information provided by the City's surveyor to locate the current waste location on the top deck. In addition to refuse fill sequencing, Vector will also prepare excavation sequencing drawings detailing the removal of cover soil from the borrow area.

The base drawing will be updated following the October 2005 fly-over and again following the October 2006 fly-over. In addition to showing the fill sequencing, the master plan drawings will locate roads, winter decks, drainage structures, etc. These drawings will be updated and/or modified as necessary and will be used by Vector's landfill operations specialist when he meets with the landfill supervisor and operators. The drawings will be dated and will provide six months of fill sequencing.

Budget has also been provided for six meetings to be held at the request of the City over the next year and one half.

Deliverables

Vector will provide copies of all documents prepared for the City in hard copy and electronic format. A copy of the drawings will be provided to the City and the site operations manager. We will provide minutes of all our site visits. We will provide interim fill drawings on a periodic six-month basis.

EXHIBIT B

PROJECT SCHEDULE

**AGREEMENT TO PROVIDE CONSULTING SERVICES
FOR OPERATIONAL SUPPORT
of the
CALIFORNIA STREET LANDFILL**

PROJECT SCHEDULE

Vector Engineering, Inc. will provide operations support to the City of Redlands for the California Street Landfill for a period of 18 months. A total of six site visits will be conducted over that time period.

EXHIBIT C

PROJECT FEE

**AGREEMENT TO PROVIDE CONSULTING SERVICES
FOR OPERATIONAL SUPPORT
of the
CALIFORNIA STREET LANDFILL**

**PROJECT FEE
CALIFORNIA STREET LANDFILL
DESIGN AND OPERATIONS SUPPORT
SUMMARY OF PROJECT COSTS**

DESIGN AND OPERATIONS SUPPORT				
Personnel	Units	No. of Units	Rate per Unit	Subtotal Cost
Principal Professional II - Purdy	hrs	140	\$120.00	\$16,800.00
Senior Professional II - Ramey	hrs	59	\$100.00	\$5,900.00
Project Professional II - Russell	hrs	48	\$90.00	\$4,320.00
Project Professional I - Anderson	hrs	80	\$80.00	\$6,400.00
Staff Professional I - Benadillo	hrs	40	\$70.00	\$2,800.00
Clerk - Dermer	hrs	10	\$45.00	\$450.00
Total Personnel Costs				\$36,670.00

ESTIMATE OF EQUIPMENT AND DIRECT EXPENSES				
Description	Units	No. of Units	Rate per Unit	Subtotal Cost
Reproduction	each	6	\$50.00	\$300.00
Travel Expenses	each	6	\$450.00	\$2,700.00
Shipping	each	6	\$55.00	\$330.00
Total for Equipment and Direct Expenses				\$3,330.00

				\$40,000.00
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EXHIBIT D

RATE SCHEDULE

**AGREEMENT TO PROVIDE CONSULTING SERVICES
FOR OPERATIONAL SUPPORT
of the
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**RATE SCHEDULE
FOR
CITY OF REDLANDS**

The unit rates for personnel will be provided under the following categories and individuals.

Principal Professional (Purdy) - \$120/hour

Senior Professional (Ramey/Woodward/Christie) - \$100/hour

Project Professional II (Russell) - \$90/hour

Project Professional I (Anderson/Hemmen) - \$80/hour

Staff Professional (Benadillo) - \$70/hour

Clerk - \$45/hour