

A G R E E M E N T

THIS AGREEMENT, made and entered into this 20th day of June, 19 89, by and between the City of Redlands, a Municipal Corporation, organized and existing under the laws of the State of California, hereinafter referred to as the "City" and Beylik Drilling, Inc. a partnership consisting of _____ or an individual trading as _____ of the City of La Habra County of Orange State of California, hereinafter referred to as the "Contractor".

WITNESSETH: That the City and the Contractor, for the consideration hereinafter named, agree as follows:

1. **SCOPE OF WORK:** The Contractor will furnish all materials and will perform all of the work for the following:

Furnish all materials, labor, equipment, fuel, tools, transportation and services for drilling, construction, development, testing and completion of a production well, using the cable tool method, as described in the specifications and known as Mill Creek Well No. 2A, Project No. 3-8978.

2. **THE CONTRACT SUM:** \$175,649.00 The sum noted herein represents the estimated total completion cost. All work will be paid at the unit cost listed in the proposal.
3. **TIME FOR COMPLETION:** The work to be completed within One-hundred sixty (160) calendar days from and after the date of issuance of the Notice to Proceed.

4. **LIQUIDATED DAMAGES:** Failure of the Contractor to complete the Work within the time allowed will result in damages being sustained by the City. Such damages are, and will continue to be, impracticable and extremely difficult to determine. For each consecutive calendar day in excess of the time specified, as adjusted in accordance with the specifications, for completion of the Work the Contractor shall pay to the City, or have withheld from monies due it, the sum of \$500.

Execution of the Agreement shall constitute agreement by the City and Contractor that \$500 per day is a minimum value of the costs and actual damage caused by failure of the Contractor to complete the Work within the allotted time, that such sum is liquidated damages and shall not be construed as a penalty, and that such sum may be deducted from payments due the Contractor if such delay occurs.

5. **CONTRACT DOCUMENTS:** The complete contract includes all of the contract documents set forth herein, to wit; Notice Inviting Bids, Instructions to Bidders, Proposals and Bid Form, Bid Bond, Agreement, Faithful Performance Bond, Labor and Material Bond, Plans and Specifications and any addenda thereto.

6. **ATTORNEY'S FEES:** In the event any action is commenced to enforce or interpret the terms or conditions of this Agreement, the prevailing party shall, in addition to any costs or other relief, be entitled to its reasonable attorney's fees.

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

(SEAL)

City of Redlands (Owner)

By: Carol L. Desworth
Mayor, City of Redlands, County
of San Bernardino, California

ATTEST:

Dorrie Pappas
City Clerk, City of Redlands
County of San Bernardino, California

(SEAL)

BEYLIK DRILLING, INC.
Name of Contractor
By: [Signature]
Signature of Authorized Agent
Vice President
Title

306291 C57 & C-61
Contractor's License No.

(Corporation Seal, if applicable)

ATTEST: