

Resolution No. 6588 - Local Emergency - Municipal Utilities Director Phelps asked the City Council for a declaration of an emergency and the authorization to award contracts without the solicitation of competitive bids to pay for damages from a freak lightning storm on February 13, 2007, at approximately 6:00 P.M. when a lightning bolt struck the ground at or near the Hinckley Water Treatment Plant and rendered it inoperative, and from unexpected mechanical breakdowns of pumps and motors at the City's North Orange Well field. This was discussed at length with Councilmember Gil expressing concerns about going around the normal bid process for the repairs needed at the North Orange Well field. Pursuant to the request of the City Manager (the City's Director of Emergency Services), Councilmember Gilbreath moved to proclaim the existence of a "local emergency" in accordance with Chapter 2.52 of the Redlands Municipal Code. Motion seconded by Councilmember Gallagher and carried with Councilmember Gil voting NO. Councilmember Gilbreath moved to find and determine that City staff has presented this City Council with verbal and written testimony which constitutes substantial evidence that the local emergency caused by a lightning strike to the Hinckley Water Treatment Plant along with mechanical breakdowns of pumps and wells of the City's North Orange Well field will not permit a delay in undertaking the work to alleviate the local emergency that would result from a competitive solicitation of bids for the project. Motion seconded by Councilmember Gallagher and carried with Councilmember Gil voting NO. Councilmember Gilbreath moved to adopt Resolution No. 6588, a resolution of the City Council of the City of Redlands declaring that the public interest and necessity demands the immediate expenditure of public money to safeguard life, health and property. Motion seconded by Councilmember Gallagher and carried with Councilmember Gil voting NO (required a 4/5th vote). Councilmember Gilbreath moved that the City Council determine that the City's award of contracts for the repair and replacement of components of the Hinckley Water Treatment Plant and the City's North Orange Well field does not require further environmental processing, pursuant to Section 15269 of the California Environmental Quality Act Guidelines based on the following determinations: emergency repairs to publicly-owned facilities necessary to maintain service essential to the public health, safety and welfare are exempt from the requirements of the California Environmental Quality Act and specific actions necessary to prevent or mitigate an emergency. Motion seconded by Councilmember Gallagher and carried with Councilmember Gil voting NO. Councilmember Gilbreath moved to approve staff negotiating contracts with Beavens, Center Electrical and Layne Christiansen, pursuant to the terms discussed in the staff report to this City Council and authorized the Mayor to execute, and the City Clerk to attest to, the contracts for the repair and replacement of components of the Hinckley Water Treatment Plant and the City's North Orange Well field. Motion seconded by Councilmember Gallagher and carried with Councilmember Gil voting NO.

LATE BREAKING ITEM

ISD Fees - Interim City Manager Racadio explained he and Fire Chief Drabinski just attended a meeting with the County of San Bernardino regarding an increase to the ISD (Information Services Department) fees which would impact how

AGREEMENT FOR PUBLIC IMPROVEMENT PROJECT

This agreement for public improvement ("Agreement") is made and entered into this 6th day of March, 2007 ("Effective Date"), by and between the City of Redlands, a municipal corporation ("City"), and Center Electric ("Contractor"). City and Contractor are sometimes individually referred to herein as a "Party" and, together, as the "Parties."

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

ARTICLE 1 - ENGAGEMENT OF CONTRACTOR

- 1.1 City hereby retains Contractor to complete the installation of Fiber Optic Network at the Hinckley Water Treatment Plant, Project No. 1-0801 ("Project").
- 1.2 Contractor and its subcontractors shall possess all appropriate State contractors' licenses required for the work to be performed in connection with the Project, and shall not be debarred pursuant to Labor Code sections 1777.1 and 1777.7.

ARTICLE 2 - RESPONSIBILITIES OF CONTRACTOR

- 2.1 The Project which Contractor shall perform is more particularly described in Exhibit "A," which is attached hereto and incorporated herein by this reference. Exhibit "A" includes the Scope of Work.
- 2.2 Contractor shall comply with all applicable Federal, State and local laws and regulations in the performance of the Project including, but not limited, to all applicable Labor Code and prevailing wage laws commencing at Labor Code section 1770 et seq. and non-discrimination laws, including the Americans With Disabilities Act. Pursuant to Labor Code section 1773.2, copies of the prevailing rates of per diem wages as determined by the Director of the California Department of Industrial Relations for each craft, classification or type of worker needed to undertake the Project are on file at City's Administrative Services Department, located at the Civic Center, 35 Cajon Street, Suite 10 (Mailing: P.O. Box 3005), Redlands, California 92373.
- 2.3 Contractor acknowledges that if it violates the Labor Code provisions relating to prevailing wage, that City may enforce such provisions by withholding contract payments to Contractor or its subcontractors pursuant to Labor Code section 1771.6.
- 2.4 If Contractor executes an agreement with a subcontractor to perform work on the Project, Contractor shall comply with Labor Code sections 1775 and 1777.7, and shall provide the subcontractor with copies of the provisions of Labor Code sections 1771, 1775, 1776, 1777.5, 1813 and 1815. Contractor acknowledges that the statutory provisions establishing penalties for failure to comply with state wage and hour laws and to pay prevailing wages may be enforced by City pursuant to Labor Code sections 1775 and 1813.

- 2.5 Contractor and its subcontractors shall comply with the provisions of Labor Code section 1776 regarding payroll records maintenance, certifications, retention and inspection.
- 2.6 Contractor acknowledges that eight (8) hours constitutes a legal day's work pursuant to Labor Code section 1810.
- 2.7 Contractor shall comply with the provisions of Labor Code section 1777.5 as to apprenticeships, and Labor Code sections 1771, 1775, 1776, 1777.5 1813 and 1815.
- 2.8 Contractor shall obtain, execute and deliver to City a Labor and Materials Payment Bond, pursuant to Civil Code section 3247, in the form attached hereto as Exhibit "B" to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code.
- 2.9 Pursuant to Public Contract Code section 7104, if the Project involves digging trenches or other excavations that extend deeper than four feet below the surface, Contractor shall promptly, and before the following conditions are disturbed, notify City, in writing, of any: (1) material that Contractor believes may be material that is hazardous waste, as defined in Health and Safety Code section 25117, that is required to be removed to a Class I, Class II or Class III disposal site in accordance with provisions of existing law; (2) subsurface or latent physical conditions at the Project site differing from those indicated by information about the site made available to Contractor prior to entering into this Agreement; or (3) unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract. City shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase Contractor's cost of, or the time required for, performance of any part of the work, shall issue a change order under the procedures described in this Agreement. If a dispute arises between City and Contractor whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in Contractor's cost of, or time required for, performance of any part of the work, Contractor shall not be excused from any scheduled completion date provided for by the Agreement, but shall proceed with all work to be performed under the Agreement. Contractor shall retain any and all rights provided either by this Agreement or by law which pertain to the resolution of disputes and protests between the Parties.
- 2.10 Pursuant to Labor Code section 6705, if the Project requires any trench five feet or more in depth, Contractor shall submit, subject to City's approval, in advance of excavation, a detailed plan showing the design of shoring, bracing, sloping or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches. If the plan varies from the shoring system standards, the plan shall be prepared by a registered civil or structural engineer.
- 2.11 Prior to and during any excavation, Contractor is responsible for complying with, and shall comply with, Government Code section 4216 et seq.

- 2.12 Because this Agreement was exempt from competitive bidding, prior to commencement, Contractor shall provide City with the information otherwise found in Public Contract Code section 4104.
- 2.13 Pursuant to Public Contract Code section 7103.5(b), Contractor offers and agrees to assign to City all rights, title and interest in and to all causes of action it may have under section 4 of the Clayton Act (15 U.S.C. section 15) or under the Cartwright Act (Chapter 2 (commencing with section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to this Agreement

ARTICLE 3 - PERIOD OF SERVICE

- 3.1 Contractor shall commence the Project upon City's delivery to Contractor of a written "Notice to Proceed."
- 3.2 Contractor is expected to work with Beavens Systems to complete the Project within one hundred and five (105) calendar days from and after the date of the Notice to Proceed.

ARTICLE 4 - PAYMENT AND NOTICE

- 4.1 City shall pay Contractor on a time-and-material basis, in accordance with the rates set forth in Exhibit "C," a sum not to exceed Thirty Thousand Dollars (\$30,000.00) as complete compensation for the work Contractor performs on the Project.
- 4.2 Payments by City to Contractor shall be made within thirty (30) days after City's receipt and approval of Contractor's invoice, by warrant payable to Contractor.
- 4.3 All notices shall be made in writing and shall be given by personal delivery or by mail. Notices sent by mail shall be addressed as follows:

City:

Wen Huang, Senior Civil Engineer
Municipal Utilities Dept.
City of Redlands
P.O. Box 3005
Redlands, CA 92373

Contractor:

Henry Michael Munksgaard, Owner
Center Electric
2942 Las Flores
Riverside, CA 92503

When so addressed, such notices shall be deemed given upon deposit in the United States mail; in all other instances, notices, bills and payments shall be deemed given at the time of actual delivery. Changes may be made in the names and addresses of the person to whom notices are to

be given by giving notice pursuant to this section 4.3.

- 4.4 Pursuant to Public Contract Code section 22300, Contractor has the option to deposit securities with an Escrow Agent as a substitute for retention of earnings requirement to be withheld by City pursuant to an Escrow Agreement as set forth in Public Contract Code section 22300.

ARTICLE 5 - INSURANCE AND INDEMNIFICATION

- 5.1 Contractor's Insurance to be Primary. All insurance required by this Agreement shall be maintained by Contractor for the duration of the Project, and shall be primary with respect to City and non-contributing to any insurance or self-insurance maintained by City.

5.2 Workers' Compensation and Employer's Liability

A. Contractor shall secure and maintain Workers' Compensation and Employer's Liability insurance for its employees throughout the duration of the Project pursuant to Labor Code sections 3700 and 1860, in an amount which meets statutory requirements, with an insurance carrier acceptable to City. The insurance policy shall include a provision prohibiting the policy's modification or cancellation except upon thirty (30) days prior written notice to City. Contractor shall execute and deliver to City a Worker's Compensation Insurance Certification in the form attached hereto as Exhibit "D" prior to commencement of the Project.

B. Contractor expressly waives all rights to subrogation against City and its elected officials, officers and employees, for losses arising from work performed by Contractor on the Project by expressly waiving Contractor's immunity for injuries to Contractor's employees. Contractor 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 Contractor. This waiver is mutually negotiated by the Parties.

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

- 5.4 Assignment. Contractor is expressly prohibited from assigning any of the work associated with the Project without the express prior written consent of City. In the event of mutual agreement by the Parties to assign a portion of the Project, Contractor shall add the assignee as an additional insured to its insurance policies and provide City with the insurance endorsements prior to any work being performed by the assignee. Assignment does not include printing or other customary reimbursable expenses that may be provided for in this Agreement.

- 5.5 Comprehensive General Liability Insurance. Contractor shall secure and maintain in force throughout the duration of the Project comprehensive general liability insurance, with carriers acceptable to City, with 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. City shall be named as an additional insured and the insurance policy shall

include a provision prohibiting its modification or cancellation except upon thirty (30) days prior written notice to City. A certificate of insurance and endorsements shall be delivered to City prior to commencement of the Project.

- 5.6 Business Auto Liability Insurance. Contractor shall have business automobile 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. City shall be named as an additional insured and the insurance policy shall include a provision prohibiting its modification or cancellation except upon thirty (30) days prior written notice to City. Certificate of insurance with endorsements shall be delivered to City prior to commencement of the Project.

ARTICLE 6 - GENERAL CONSIDERATIONS

- 6.1 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 recover its reasonable attorneys' fees, including fees for the use of in-house counsel by a Party.
- 6.2 All documents, records, drawings, electronic data files and data base, photographic prints and negatives, designs and specifications, cost estimates, and other Project documents developed by Contractor for the Project shall become the property of City and shall be delivered to City upon completion of the Project.
- 6.3 Contractor is, for all purposes under this Agreement, an independent contractor with respect to the Project and not an employee of City. All personnel employed by Contractor to perform the Project are for its account only, and in no event shall Contractor 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. Nothing in this Agreement shall be considered to create the relationship of employer and employee between the Parties.
- 6.4 Unless earlier terminated as provided for below, this Agreement shall terminate upon completion and acceptance of the Project by City.
- 6.5 City may terminate this Agreement for any reason, at any time at its sole discretion, upon five (5) calendar days prior written notice to Contractor.
- 6.6 Upon receipt of a termination notice, Contractor shall (1) promptly discontinue all work associated with the Project and (2) deliver or otherwise make available to City, copies of any data, design calculations, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated by Contractor in performing the Project. Contractor shall be compensated on a pro-rata basis for any work completed up until notice of termination.

- 6.7 This Agreement, including the exhibits incorporated by reference, represents the entire agreement and understanding between the Parties as to the matters contained herein and any prior negotiations, proposals and verbal agreements relating to the subject matter hereof are superseded by this Agreement. Any amendment to this Agreement shall be in writing and approved by the City Council and signed by City and Contractor.
- 6.8 This Agreement shall be governed by and construed in accordance with the laws of the State of California.
- 6.9 Claims by the Contractor in the amount of Three Hundred Seventy-Five Thousand Dollars (\$375,000) or less shall be made by Contractor and processed by City pursuant to the provisions of Part 3, Chapter 1, Article 1.5 of the Public Contract Code (commencing with section 20104). All claims shall be in writing and include the documents necessary to substantiate the claim. Nothing in subdivision (a) of Public Contract Code section 20104.2 shall extend the time limit or supersede the notice requirements provided in this case from filing claims by Contractor.
- 6.10 If any provision or part of this Agreement is held to be void or unenforceable under any law or regulation, it shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon City and Contractor.

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

CITY OF REDLANDS

ATTEST:

By


Jon Harrison, Mayor


City Clerk

CENTER ELECTRIC

By


Henry Michael Munksgaard, Owner

Date

4-30-07

Exhibit "A"

SCOPE OF WORK

Contractor shall provide labor and materials, up to \$30,000 on an as-needed basis, to install the fiber optic network and associated PLC hardware for emergency repairs/system upgrade of the Hinckley Water Treatment Plant (Plant) as a result of lightning damage on February 13, 2007.

The PLC hardware and fiber optical cabling will be provided by the City.

Contractor shall provide materials including, but not limited to, conduits, fittings, clamps, connectors, and mounting hardware that are required to perform the work.

Contractor shall provide labor to perform installation work including pulling in fiber optic cabling, mounting cabinets, removing redundant wiring, connecting existing instrumentation and control devices to new terminal and PLC enclosures. Locations for new enclosures and wiring drawing will be provided by Beavens Systems and the City of Redlands water production engineering and maintenance staff.

Contractor shall install the City-provided fiber network cabling from the Master Control Board or PLC No. 1 located at the operator station in the main building to PLC No.2 in the backup generator building in front of the Plant. The second fiber optic run shall terminate at PLC No.3 from PLC No.1. PLC No. 3 is located at the backwash motor operated valve and the piping gallery sub basement between the clarifier and the filter beds.

Contractor shall install a third communication wireless link from PLC No.1 to PLC No.4 located at the effluent flow meter vault at the nearby Agate Reservoir Site.

Detailed enclosure mounting and terminal wire designation will be provided by Beavens Systems and the City of Redlands staff.

Contractor is required to work with the City of Redlands staff to minimize the Plant downtime while performing their work.

Bond Number: 1000769532
Bond Premium: \$900.00

Exhibit "B"

LABOR AND MATERIALS

PAYMENT BOND

WHEREAS, the City of Redlands (hereinafter designated as "City"), and Center Electric (hereinafter designated as "Principal") have entered into an Agreement whereby Principal agrees to install and complete certain designated public improvements, which by said agreement dated March 27, 2007, and identified as Contract No. 1-0801, ("Project") is hereby referred to and made a part hereof; and

WHEREAS, under the terms of said agreement, Principal is required, prior to performance of the Project, to furnish a good and sufficient labor and materials payment bond with City to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code.

NOW, THEREFORE, said Principal and the undersigned as corporate surety, are held and firmly bound unto City and all contractors, subcontractors, laborers, materialmen, and any other persons employed in the performance of the aforesaid agreement and referred to in the Civil Code in the sum of Thirty Thousand Dollars (\$30,000.00) for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said surety will pay the same in an amount not exceeding the amount herein above set forth, and also in case suit is brought upon this bond, will pay, in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Should the condition of this bond be fully performed, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder or the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and surety named,

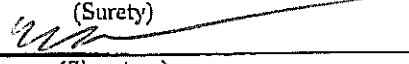
On April 16, 2007. Bond No. 1000769532

Henry Michael Munksgaard (SEAL)
dba: Center Electric

(Contractor)

(Signature)

(SEAL)
American Contractors Indemnity Company

BY: 
(Surety)
(Signature)

Address: 625 The City Drive So. #305, Orange, CA 92868

(Seal and Notarial Acknowledgment of Surety)

Telephone (714) 740-7000

American Contractors Indemnity Company

9841 Airport Blvd., 9th Floor Los Angeles, California 90045



POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That American Contractors Indemnity Company of the State of California, a California corporation, does hereby appoint,

Erik Johansson, Paul S. Dito, Kim Heredia, Paula LaSalle, or Denise Renderos of Orange, California

its true and lawful Attorney(s)-in-Fact, with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an Amount not to exceed \$ *****3,000,000.00*****. This Power of Attorney shall expire without further action on June 29, 2009.

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of AMERICAN CONTRACTORS INDEMNITY COMPANY at a meeting duly called and held on the 6th day of December, 1990.

"RESOLVED that the Chief Executive Officer, President or any Vice President, Executive Vice President, Secretary or Assistant Secretary, shall have the power and authority

- 1. To appoint Attorney(s)-in-Fact and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and,*
- 2. To remove, at any time, any such Attorney-in-Fact and revoke the authority given.*

RESOLVED FURTHER, that the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached."

IN WITNESS WHEREOF, American Contractors Indemnity Company has caused its seal to be affixed hereto and executed by its Executive Vice President on the 9th day of January, 2007.



AMERICAN CONTRACTORS INDEMNITY COMPANY

By: Adam S. Pessin
Adam S. Pessin, Executive Vice President

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

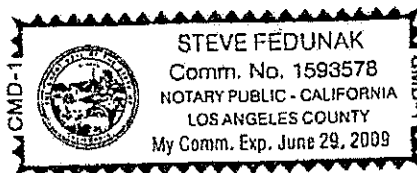
On this 9th day of January, 2007, before me, Steve Fedunak, a notary public, personally appeared Adam S. Pessin, Executive Vice President of American Contractors Indemnity Company, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Steve Fedunak

Signature of Notary

My Commission expires June 29, 2009



I, Jeannie J. Kim, Corporate Secretary of American Contractors Indemnity Company, do hereby certify that the Power of Attorney and the resolution adopted by the Board of Directors of said Company as set forth above, are true and correct transcripts thereof and that neither the said Power of Attorney nor the resolution have been revoked and they are now in full force and effect.

IN WITNESS HEREOF, I have hereunto set my hand this 16th day of April, 200 7.

Bond No. 1000769532

Agency No. #9007

Jeannie J. Kim
Jeannie J. Kim, Corporate Secretary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Orange

ss.

On April 16, 2007, before me, Edith Garibay, Notary Public,
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Erik Johansson,
Name(s) of Signer(s)

- ☒ personally known to me
☐ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/~~are~~
subscribed to the within instrument and
acknowledged to me that he/~~she/they~~
executed the same in his/~~her/their~~
authorized capacity(~~ies~~), and that by his/~~her/their~~
signature(~~s~~) on the instrument the person(s), or
the entity upon behalf of which the person(s)
acted, executed the instrument.



Place Notary Seal Above

WITNESS my hand and official seal.

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Bond No. 1000769532

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☒ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: American Contractors Indemnity Company

RIGHT THUMBPRINT
OF SIGNER

Top of thumb here

Exhibit "C"

RATES AND CHARGES

Center Electric

2942 Las Flores
Riverside, CA 92503-6103

Estimate

DATE	ESTIMATE NO.
4/30/2007	346

NAME / ADDRESS
City of Redlands P.O. Box 3005 Redlands, CA 92373

P.O. NO.	WORK ORDER #

DESCRIPTION	QTY	COST	TOTAL
Hourly Rate sheet:			
Prevailing Rate, Inside Wireman: \$44.78 (This is based on prevailing wage determination. This will be changed if required by the state)	0	81.00	0.00
Labor Burden and Overhead: 25.65			
15% Handling, profit: 10.57			
Equipment (Truck) To be changed if needed.	0	14.00	0.00
Handling Charge		15.00%	0.00
Thank You		TOTAL	\$0.00

Phone #	Fax #	E-mail
951 688-6865	951 687-3286	centerelectric@hotmail.com

Contract No 1-0801

I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code §1861).

Date _____

By: Raymond M. Bernard
Signature of Authorized Agent

Owner
Signatory's Title

C10 165246
Contractor's License No.

Date 4-30-07

CERTHOLDER COPY

SK

**STATE
COMPENSATION
INSURANCE
FUND**

P.O. BOX 420807, SAN FRANCISCO, CA 94142-0807

CERTIFICATE OF WORKERS' COMPENSATION INSURANCE

ISSUE DATE: 04-04-2007

GROUP: 000229
POLICY NUMBER: 0012186-2007
CERTIFICATE ID: 26
CERTIFICATE EXPIRES: 01-01-2008
01-01-2007/01-01-2008CITY OF REDLANDS
MUNICIPAL UTILITIES DEPT.
PO BOX 3005
REDLANDS CA 92373-1505

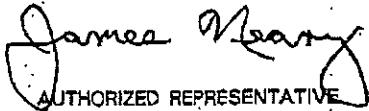
SK

This is to certify that we have issued a valid Workers' Compensation insurance policy in a form approved by the California Insurance Commissioner to the employer named below for the policy period indicated.

This policy is not subject to cancellation by the Fund except upon 30 days advance written notice to the employer.

We will also give you 30 days advance notice should this policy be cancelled prior to its normal expiration.

This certificate of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policy listed herein. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate of insurance may be issued or to which it may pertain, the insurance afforded by the policy described herein is subject to all the terms, exclusions, and conditions, of such policy.


AUTHORIZED REPRESENTATIVE
PRESIDENT

UNLESS INDICATED OTHERWISE BY ENDORSEMENT, COVERAGE UNDER THIS POLICY EXCLUDES THE FOLLOWING: THOSE NAMED IN THE POLICY DECLARATIONS AS AN INDIVIDUAL EMPLOYER OR A HUSBAND AND WIFE EMPLOYER; EMPLOYEES COVERED ON A COMPREHENSIVE PERSONAL LIABILITY INSURANCE POLICY ALSO AFFORDING CALIFORNIA WORKERS' COMPENSATION BENEFITS; EMPLOYEES EXCLUDED UNDER CALIFORNIA WORKERS' COMPENSATION LAW.

EMPLOYER'S LIABILITY LIMIT INCLUDING DEFENSE COSTS: \$1,000,000 PER OCCURRENCE.

ENDORSEMENT #0015 ENTITLED ADDITIONAL INSURED EMPLOYER EFFECTIVE 2007-04-04 IS ATTACHED TO AND FORMS A PART OF THIS POLICY. NAME OF ADDITIONAL INSURED:
CITY OF REDLANDS

ENDORSEMENT #2065 ENTITLED CERTIFICATE HOLDERS' NOTICE EFFECTIVE 01-31-2007 IS ATTACHED TO AND FORMS A PART OF THIS POLICY.

EMPLOYER

MUNKSGARRD, HENRY M. AND MUNKSGAARD, CYNDI
2942 LAS FLORES AVE
RIVERSIDE CA 92503

Resolution No. 6588 - Local Emergency - Municipal Utilities Director Phelps asked the City Council for a declaration of an emergency and the authorization to award contracts without the solicitation of competitive bids to pay for damages from a freak lightning storm on February 13, 2007, at approximately 6:00 P.M. when a lightning bolt struck the ground at or near the Hinckley Water Treatment Plant and rendered it inoperative, and from unexpected mechanical breakdowns of pumps and motors at the City's North Orange Well field. This was discussed at length with Councilmember Gil expressing concerns about going around the normal bid process for the repairs needed at the North Orange Well field. Pursuant to the request of the City Manager (the City's Director of Emergency Services), Councilmember Gilbreath moved to proclaim the existence of a "local emergency" in accordance with Chapter 2.52 of the Redlands Municipal Code. Motion seconded by Councilmember Gallagher and carried with Councilmember Gil voting NO. Councilmember Gilbreath moved to find and determine that City staff has presented this City Council with verbal and written testimony which constitutes substantial evidence that the local emergency caused by a lightning strike to the Hinckley Water Treatment Plant along with mechanical breakdowns of pumps and wells of the City's North Orange Well field will not permit a delay in undertaking the work to alleviate the local emergency that would result from a competitive solicitation of bids for the project. Motion seconded by Councilmember Gallagher and carried with Councilmember Gil voting NO. Councilmember Gilbreath moved to adopt Resolution No. 6588, a resolution of the City Council of the City of Redlands declaring that the public interest and necessity demands the immediate expenditure of public money to safeguard life, health and property. Motion seconded by Councilmember Gallagher and carried with Councilmember Gil voting NO (required a 4/5th vote). Councilmember Gilbreath moved that the City Council determine that the City's award of contracts for the repair and replacement of components of the Hinckley Water Treatment Plant and the City's North Orange Well field does not require further environmental processing, pursuant to Section 15269 of the California Environmental Quality Act Guidelines based on the following determinations: emergency repairs to publicly-owned facilities necessary to maintain service essential to the public health, safety and welfare are exempt from the requirements of the California Environmental Quality Act and specific actions necessary to prevent or mitigate an emergency. Motion seconded by Councilmember Gallagher and carried with Councilmember Gil voting NO. Councilmember Gilbreath moved to approve staff negotiating contracts with Beavens, Center Electrical and Layne Christiansen, pursuant to the terms discussed in the staff report to this City Council and authorized the Mayor to execute, and the City Clerk to attest to, the contracts for the repair and replacement of components of the Hinckley Water Treatment Plant and the City's North Orange Well field. Motion seconded by Councilmember Gallagher and carried with Councilmember Gil voting NO.

LATE BREAKING ITEM

ISD Fees - Interim City Manager Racadio explained he and Fire Chief Drabinski just attended a meeting with the County of San Bernardino regarding an increase to the ISD (Information Services Department) fees which would impact how

AGREEMENT FOR PUBLIC IMPROVEMENT PROJECT

This agreement for public improvement ("Agreement") is made and entered into this 20th day of March, 2007 ("Effective Date"), by and between the City of Redlands, a municipal corporation ("City"), and Beavens Systems, Inc. ("Contractor"). City and Contractor are sometimes individually referred to herein as a "Party" and, together, as the "Parties."

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

ARTICLE 1 - ENGAGEMENT OF CONTRACTOR

- 1.1 City hereby retains Contractor to complete the control system upgrade at the Hinckley Water Treatment Plant, Project No. 1-0801 ("Project").
- 1.2 Contractor and its subcontractors shall possess all appropriate State contractors' licenses required for the work to be performed in connection with the Project, and shall not be debarred pursuant to Labor Code sections 1777.1 and 1777.7.

ARTICLE 2 - RESPONSIBILITIES OF CONTRACTOR

- 2.1 The Project which Contractor shall perform is more particularly described in Exhibit "A," which is attached hereto and incorporated herein by this reference. Exhibit "A" includes the Scope of Work.
- 2.2 Contractor shall comply with all applicable Federal, State and local laws and regulations in the performance of the Project including, but not limited, to all applicable Labor Code and prevailing wage laws commencing at Labor Code section 1770 et seq. and non-discrimination laws, including the Americans With Disabilities Act. Pursuant to Labor Code section 1773.2, copies of the prevailing rates of per diem wages as determined by the Director of the California Department of Industrial Relations for each craft, classification or type of worker needed to undertake the Project are on file at City's Administrative Services Department, located at the Civic Center, 35 Cajon Street, Suite 10 (Mailing: P.O. Box 3005), Redlands, California 92373.
- 2.3 Contractor acknowledges that if it violates the Labor Code provisions relating to prevailing wage, that City may enforce such provisions by withholding contract payments to Contractor or its subcontractors pursuant to Labor Code section 1771.6.
- 2.4 If Contractor executes an agreement with a subcontractor to perform work on the Project, Contractor shall comply with Labor Code sections 1775 and 1777.7, and shall provide the subcontractor with copies of the provisions of Labor Code sections 1771, 1775, 1776, 1777.5, 1813 and 1815. Contractor acknowledges that the statutory provisions establishing penalties for failure to comply with state wage and hour laws and to pay prevailing wages may be enforced by City pursuant to Labor Code sections 1775 and 1813.

- 2.5 Contractor and its subcontractors shall comply with the provisions of Labor Code section 1776 regarding payroll records maintenance, certifications, retention and inspection.
- 2.6 Contractor acknowledges that eight (8) hours constitutes a legal day's work pursuant to Labor Code section 1810.
- 2.7 Contractor shall comply with the provisions of Labor Code section 1777.5 as to apprenticeships, and Labor Code sections 1771, 1775, 1776, 1777.5 1813 and 1815.
- 2.8 Contractor shall obtain, execute and deliver to City a Performance Bond and a Labor and Materials Payment Bond, in the forms attached hereto as Exhibits "B" and "C."
- 2.9 Pursuant to Public Contract Code section 7104, if the Project involves digging trenches or other excavations that extend deeper than four feet below the surface, Contractor shall promptly, and before the following conditions are disturbed, notify City, in writing, of any: (1) material that Contractor believes may be material that is hazardous waste, as defined in Health and Safety Code section 25117, that is required to be removed to a Class I, Class II or Class III disposal site in accordance with provisions of existing law; (2) subsurface or latent physical conditions at the Project site differing from those indicated by information about the site made available to Contractor prior to entering into this Agreement; or (3) unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract. City shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase Contractor's cost of, or the time required for, performance of any part of the work, shall issue a change order under the procedures described in this Agreement. If a dispute arises between City and Contractor whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in Contractor's cost of, or time required for, performance of any part of the work, Contractor shall not be excused from any scheduled completion date provided for by the Agreement, but shall proceed with all work to be performed under the Agreement. Contractor shall retain any and all rights provided either by this Agreement or by law which pertain to the resolution of disputes and protests between the Parties.
- 2.10 Pursuant to Labor Code section 6705, if the Project requires any trench five feet or more in depth, Contractor shall submit, subject to City's approval, in advance of excavation, a detailed plan showing the design of shoring, bracing, sloping or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches. If the plan varies from the shoring system standards, the plan shall be prepared by a registered civil or structural engineer.
- 2.11 Prior to and during any excavation, Contractor is responsible for complying with, and shall comply with, Government Code section 4216 et seq.
- 2.12 Because this Agreement was exempt from competitive bidding, prior to commencement, Contractor shall provide City with the information otherwise found in Public Contract Code section 4104.

- 2.13 Pursuant to Public Contract Code section 7103.5(b), Contractor offers and agrees to assign to City all rights, title and interest in and to all causes of action it may have under section 4 of the Clayton Act (15 U.S.C. section 15) or under the Cartwright Act (Chapter 2 (commencing with section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to this Agreement

ARTICLE 3 - PERIOD OF SERVICE

- 3.1 Contractor shall commence the Project upon City's delivery to Contractor of a written "Notice to Proceed."
- 3.2 Contractor shall complete the Project within one hundred and five (105) calendar days from and after the date of the Notice to Proceed.

ARTICLE 4 - PAYMENT AND NOTICE

- 4.1 City shall pay Contractor the sum of Two Hundred Sixty-Seven Thousand Eight Hundred Fifty-Three and 36/100 Dollars (\$267,853.36) as complete compensation for the work Contractor performs on the Project.
- 4.2 Payments by City to Contractor shall be made within thirty (30) days after City's receipt and approval of Contractor's invoice, by warrant payable to Contractor.
- 4.3 All notices shall be made in writing and shall be given by personal delivery or by mail. Notices sent by mail shall be addressed as follows:

City:

Wen Huang, Senior Civil Engineer
Municipal Utilities Dept.
City of Redlands
P.O. Box 3005
Redlands, CA 92373

Contractor:

Greg Argano, Project Manager
Beavens Systems, Inc.
2200 Pacific Coast Hwy., Suite 307
Hermosa Beach, CA 90254

When so addressed, such notices shall be deemed given upon deposit in the United States mail; in all other instances, notices, bills and payments shall be deemed given at the time of actual delivery. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this section 4.3.

- 4.4 Pursuant to Public Contract Code section 22300, Contractor has the option to deposit securities with an Escrow Agent as a substitute for retention of earnings requirement to be withheld by City

pursuant to an Escrow Agreement as set forth in Public Contract Code section 22300.

ARTICLE 5 - INSURANCE AND INDEMNIFICATION

- 5.1 Contractor's Insurance to be Primary. All insurance required by this Agreement shall be maintained by Contractor for the duration of the Project, and shall be primary with respect to City and non-contributing to any insurance or self-insurance maintained by City.
- 5.2 Workers' Compensation and Employer's Liability
- A. Contractor shall secure and maintain Workers' Compensation and Employer's Liability insurance for its employees throughout the duration of the Project pursuant to Labor Code sections 3700 and 1860, in an amount which meets statutory requirements, with an insurance carrier acceptable to City. The insurance policy shall include a provision prohibiting the policy's modification or cancellation except upon thirty (30) days prior written notice to City. Contractor shall execute and deliver to City a Worker's Compensation Insurance Certification in the form attached hereto as Exhibit "D" prior to commencement of the Project.
 - B. Contractor expressly waives all rights to subrogation against City and its elected officials, officers and employees, for losses arising from work performed by Contractor on the Project by expressly waiving Contractor's immunity for injuries to Contractor's employees. Contractor 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 Contractor. This waiver is mutually negotiated by the Parties.
- 5.3 Hold Harmless and Indemnification. Contractor shall indemnify, hold harmless and defend City and its elected officials, employees and agents from and against any and all claims, losses and liability, including attorneys' fees, arising from injury or death to persons or damage to property occasioned by any act or omission of Contractor, and its officers, employees and agents, in performing the Project.
- 5.4 Assignment. Contractor is expressly prohibited from assigning any of the work associated with the Project without the express prior written consent of City. In the event of mutual agreement by the Parties to assign a portion of the Project, Contractor shall add the assignee as an additional insured to its insurance policies and provide City with the insurance endorsements prior to any work being performed by the assignee. Assignment does not include printing or other customary reimbursable expenses that may be provided for in this Agreement.
- 5.5 Comprehensive General Liability Insurance. Contractor shall secure and maintain in force throughout the duration of the Project comprehensive general liability insurance, with carriers acceptable to City, with 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. City shall be named as an additional insured and the insurance policy shall include a provision prohibiting its modification or cancellation except upon thirty (30) days prior written notice to City. A certificate of insurance and endorsements shall be delivered to City prior to commencement of the Project.

- 5.6 Business Auto Liability Insurance. Contractor shall have business automobile 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. City shall be named as an additional insured and the insurance policy shall include a provision prohibiting its modification or cancellation except upon thirty (30) days prior written notice to City. Certificate of insurance with endorsements shall be delivered to City prior to commencement of the Project.
- 5.7 Liquidated Damages. Failure of the Contractor to complete the work within the time allowed will result in damages being sustained by City. Such damages are, and will continue to be, impracticable and extremely difficult to determine. The Contractor shall pay to City, or have withheld from monies due it, the sum of Five Hundred Dollars (\$500) for each consecutive calendar day in excess of the specified time for completion of Work. Execution of the Agreement shall constitute agreement by City and Contractor that Five Hundred Dollars (\$500) per day is the minimum and actual damage caused by the failure of the Contractor to complete the Project within the allowed time. Such sum is liquidated damages and shall not be construed as a penalty, and may be deducted from payments due the Contractor if such delay occurs.

ARTICLE 6 - GENERAL CONSIDERATIONS

- 6.1 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 recover its reasonable attorneys' fees, including fees for the use of in-house counsel by a Party.
- 6.2 All documents, records, drawings, electronic data files and data base, photographic prints and negatives, designs and specifications, cost estimates, and other Project documents developed by Contractor for the Project shall become the property of City and shall be delivered to City upon completion of the Project.
- 6.3 Contractor is, for all purposes under this Agreement, an independent contractor with respect to the Project and not an employee of City. All personnel employed by Contractor to perform the Project are for its account only, and in no event shall Contractor 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. Nothing in this Agreement shall be considered to create the relationship of employer and employee between the Parties.
- 6.4 Unless earlier terminated as provided for below, this Agreement shall terminate upon completion and acceptance of the Project by City.
- 6.5 City may terminate this Agreement for any reason, at any time at its sole discretion, upon five (5) calendar days prior written notice to Contractor.
- 6.6 Upon receipt of a termination notice, Contractor shall (1) promptly discontinue all work

associated with the Project and (2) deliver or otherwise make available to City, copies of any data, design calculations, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated by Contractor in performing the Project. Contractor shall be compensated on a pro-rata basis for any work completed up until notice of termination.

- 6.7 This Agreement, including the exhibits incorporated by reference, represents the entire agreement and understanding between the Parties as to the matters contained herein and any prior negotiations, proposals and verbal agreements relating to the subject matter hereof are superseded by this Agreement. Any amendment to this Agreement shall be in writing and approved by the City Council and signed by City and Contractor.
- 6.8 This Agreement shall be governed by and construed in accordance with the laws of the State of California.
- 6.9 Claims by the Contractor in the amount of Three Hundred Seventy-Five Thousand Dollars (\$375,000) or less shall be made by Contractor and processed by City pursuant to the provisions of Part 3, Chapter 1, Article 1.5 of the Public Contract Code (commencing with section 20104). All claims shall be in writing and include the documents necessary to substantiate the claim. Nothing in subdivision (a) of Public Contract Code section 20104.2 shall extend the time limit or supersede the notice requirements provided in this case from filing claims by Contractor.
- 6.10 If any provision or part of this Agreement is held to be void or unenforceable under any law or regulation, it shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon City and Contractor.

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

CITY OF REDLANDS

By

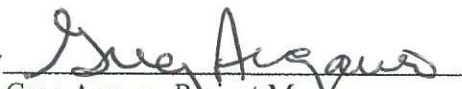

Jon Harrison, Mayor

ATTEST:


City Clerk

BEAVENS SYSTEM INC.

By


Greg Argano, Project Manager

Date

4/30/2007

Exhibit "A"

SCOPE OF WORK

Contractor shall provide labor and materials to replace the obsolete Rugid RTUs, Modicon PLC and Reliance PLCs with Allen-Bradley PLCs for emergency repairs/system upgrade of the Hinckley Water Treatment Plant (Plant) as a result of lightning damage on February 13, 2007. These new PLCs shall be compatible with other Allen-Bradley PLCs at the City Water Reclamation Facility.

Contractor shall provide support and material to upgrade the existing communications network at the plant to handle the new PLCs.

Contractor shall provide fiber optic cabling, termination, and termination panels to be installed between the buildings at the plant to limit the interaction between PLCs during lightning storms. The installation services will be performed by others, and will not be part of the scope. Contractor shall provide detailed enclosure mounting and terminal wire designation so that the City can provide to a separate contractor for installation.

Contractor shall provide labor and materials to furnish new sub panels for the required control cabinets at the Plant. Contractor shall install a new PLC in the main control building, a new PLC in the filter gallery, remote I/O panels in the existing filter control panels, a new PLC in the generator building, and a new PLC and panel at the tank site. Once complete, all PLCs shall communicate via Ethernet and interface to the existing SCADA computer.

Contractor shall duplicate the functional logic for all equipment removed and replaced by new Allen-Bradley PLCs.

In addition, Contractor shall upgrade the plant graphics to correspond to the new equipment. Complete programming, changeover/startup and documentation shall be provided.

Contractor is required to work with the City of Redlands staff to minimize the Plant downtime while performing their work.

Final premium
amount is based
upon actual final
contract price

Exhibit "B"

Bond #41108622
Premium: \$4,467.00

PERFORMANCE BOND

WHEREAS, the City of Redlands (hereinafter designated as "City"), and Beavens Systems, Inc. (hereinafter designated as "Principal") have entered into an Agreement whereby Principal agrees to install and complete certain designated public improvements, which by said agreement dated March 20, 2007, and identified as Contract No. 1-0801, ("Project") is hereby referred to and made a part hereof; and

WHEREAS, under the terms of said agreement, Principal is required, prior to performance of the Project, to furnish a bond for the faithful performance of said agreement.

NOW, THEREFORE, said Principal and the undersigned as corporate surety, are held and firmly bound unto City in the penal sum of Two Hundred Sixty-Seven Thousand Eight Hundred Fifty-Three (and 36/100) dollars (\$267,853.36) lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

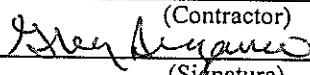
The condition of this obligation is such that if the above bounded principal, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless City, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and surety named,

on April 30, 2007. Bond No. 41108622

Beavens Systems, Inc. (SEAL)

(Contractor)
(Signature)

(Seal and Notarial Acknowledgment of Surety)

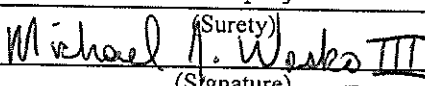
Platte River Insurance Company (SEAL)
BY: 
(Surety)
(Signature)
Michael J. Wasko III, Attorney-in-Fact
Address: 350 Sansome Street, Ste. 1000
San Francisco, CA 94104
Telephone (800) 624-7040

Exhibit "C"
LABOR AND MATERIAL BOND

Whereas, the City of Redlands ("City") and Beavens Systems, Inc. (hereinafter designated as "Principal") have entered into an agreement whereby Principal agrees to install and complete certain designated public improvements, which said agreement, dated March 27, 2007, and identified as the control system upgrade at the Hinckley WTP, Project No. 1-0801 ("Project") is hereby referred to and made a part hereof; and

Whereas, under the terms of said agreement, Principal is required before entering upon the performance of the Project, to file a good and sufficient payment bond with City to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code.

Now, therefore, the Principal and the undersigned as corporate surety, are held firmly bound unto City and all contractors, subcontractors, laborers, material men and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Code of Civil Procedure in the sum of Two Hundred Sixty-Seven Thousand Eight Hundred Fifty-Three Dollars 36/100 (\$267,853.36) for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said surety will pay the same in an amount not exceeding the amount hereinabove set forth, and also in case suit is brought upon this bond, will pay, in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed that this bond shall insure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement or the specifications accompanying the same shall in any manner affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition.

In witness whereof, this instrument has been duly executed by the Principal and surety above named, on
April 30, 2007.

Beavens Systems, Inc.

(SEAL)

Greg Anger
(Contractor)
(Signature)

(Seal and Notarial Acknowledgment of Surety)

Platte River Insurance Company

(SEAL)

BY: Michael J. Wasko III
(Surety)

Michael J. Wasko III, (Signature) Attorney-in-Fact

Address: 350 Sansome Street, Ste. 1000

San Francisco, CA 94104

Telephone (800) 624-7040

PLATTE RIVER INSURANCE COMPANY
POWER OF ATTORNEY

41108622

KNOW ALL MEN BY THESE PRESENTS, That the PLATTE RIVER INSURANCE COMPANY, a corporation of the State of Nebraska, having its principal offices in the City of Middleton, Wisconsin, does make, constitute and appoint

-----STEVEN A. SWARTZ, NICKI SWARTZ, LORIE MANDEL, MICHAEL J. WASKO III, PATRICIA MINDER -----

its true and lawful Attorney(s)-in-fact, to make, execute, seal and deliver for and on its behalf, as surety, and as its act and deed, any and all bonds, undertakings and contracts of suretyship, provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of

----- ALL WRITTEN INSTRUMENTS IN AN AMOUNT: \$250,000.00 -----

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PLATTE RIVER INSURANCE COMPANY at a meeting duly called and held on the 8th day of January, 2002.

"RESOLVED, that the President, and Vice-President, the Secretary or Treasurer, acting individually or otherwise, be and they hereby are granted the power and authorization to appoint by a Power of Attorney for the purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, one or more vice-presidents, assistant secretaries and attorney(s)-in-fact, each appointee to have the powers and duties usual to such offices to the business of the Corporation; the signature of such officers and the seal of the Corporation may be affixed to such power of attorney or to any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Corporation in the future with respect to any bond or undertaking or other writing obligatory in the nature thereof to which it is attached. Any such appointment may be revoked, for cause, or without cause, by any of said officers, at any time."

IN WITNESS WHEREOF, the PLATTE RIVER INSURANCE COMPANY has caused these presents to be signed by its officer undersigned and its corporate seal to be hereto affixed duly attested, this 1st day of June, 2006.

Attest:

Alan S. Ogilvie
Alan S. Ogilvie
Secretary



PLATTE RIVER INSURANCE COMPANY

James J. McIntyre
James J. McIntyre
President

STATE OF WISCONSIN } S.S.:
COUNTY OF DANE }

On the 1st day of June, 2006 before me personally came James J. McIntyre, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Dane, State of Wisconsin; that he is President of PLATTE RIVER INSURANCE COMPANY, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.



STATE OF WISCONSIN } S.S.:
COUNTY OF DANE }

Kathleen A. Paulson
Kathleen A. Paulson
Notary Public, Dane Co., WI
My Commission Expires 10-15-2006

I, the undersigned, duly elected to the office stated below, now the incumbent in PLATTE RIVER INSURANCE COMPANY, a Nebraska Corporation, authorized to make this certificate, DO HEREBY CERTIFY that the foregoing attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolution of the Board of Directors, set forth in the Power of Attorney is now in force.

Signed and sealed at the City of Middleton, State of Wisconsin this 30th day of April, 2007.



Alan S. Ogilvie
Alan S. Ogilvie
Secretary

THIS DOCUMENT IS NOT VALID UNLESS PRINTED ON GREEN SHADED BACKGROUND WITH A RED SERIAL NUMBER IN THE UPPER RIGHT HAND CORNER. IF YOU HAVE ANY QUESTIONS CONCERNING THE AUTHENTICITY OF THIS DOCUMENT CALL 800-475-4450.

STATE OF California

COUNTY OF Orange

On 4/30/2007, before me, Lorie Mandel, Notary Public
(here insert name and title of the officer)

personally appeared Michael J. Wasko III

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Lorie Mandel (SEAL)



This area for Official Notarial Seal

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- ☐ INDIVIDUAL
☐ CORPORATE OFFICER

TITLE(S)

- ☐ PARTNER(S) ☐ LIMITED
☐ GENERAL

☒ ATTORNEY-IN-FACT

☐ TRUSTEE(S)

☐ GUARDIAN/CONSERVATOR

☐ OTHER: _____

SIGNER IS REPRESENTING:

NAME OF PERSON(S) OR ENTITY(IES)

Platte River Insurance Company

DESCRIPTION OF ATTACHED DOCUMENT

Performance/Labor & Material Bond #41108622

TITLE OF TYPE OF DOCUMENT

NUMBER OF PAGES

4/30/2007

DATE OF DOCUMENT

SIGNER(S) OTHER THAN NAMED ABOVE

Exhibit "D"

WORKERS' COMPENSATION INSURANCE CERTIFICATION

Contract No 1-0801

Every employer except the State, shall secure the payment of compensation in one or more of the following ways:

- (a) By being insured against liability to pay compensation in one or more insurer duly authorized to write compensation insurance in this State.
- (b) By securing from the Director of Industrial Relations, a certificate of consent to self-insure, either as an individual employer or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees.

I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code §1861).

5/1/2007
Date

Ther. Acapuan
Beavens Systems, Inc.

By: [Signature]
Signature of Authorized Agent

Project Manager
Signatory's Title

NA
Contractor's License No.

5/1/2007
Date

ACORD™ CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 09/28/2006
PRODUCER PODEGRACZ INSURANCE AGENCY 1926 S. PACIFIC COAST HWY SUITE #100 REDONDO BEACH, CA 90277	310-374-8011	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
INSURED BEAVENS SYSTEMS, INC. 2200 PACIFIC COAST HWY #307 HERMOSA BEACH, CA 90254		
		INSURERS AFFORDING COVERAGE
		NAIC #
		INSURER A: CONTINENTAL CASUALTY COMPANY
		INSURER B: FARMERS INSURANCE GROUP
		INSURER C: UNDERWRITERS AT LLOYDS
		INSURER D:
		INSURER E:

COVERAGES THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.							
INSR	ADD'L	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	Y	GENERAL LIABILITY	2090860417	09/25/2006	09/25/2007	EACH OCCURRENCE	\$ 2,000,000.
		☒ COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 2,000,000.
		☐ CLAIMS MADE ☒ OCCUR				MED EXP (Any one person)	\$ 10,000.
						PERSONAL & ADV INJURY	\$ 2,000,000.
						GENERAL AGGREGATE	\$ 4,000,000.
						PRODUCTS & COMP/OP AGG	\$ 4,000,000.
		GEN'L AGGREGATE LIMIT APPLIES PER:					
		☒ POLICY ☐ PRO. ☐ LOC					
B	Y	AUTOMOBILE LIABILITY	094107666	09/25/2006	09/25/2007	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000.
		☐ ANY AUTO				BODILY INJURY (Per person)	\$
		☒ ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
		☒ SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident)	\$
		☒ HIRED AUTOS					
☒ NON-OWNED AUTOS							
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	\$
		☐ ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	\$
						AGG	\$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	\$
		☐ OCCUR ☐ CLAIMS MADE				AGGREGATE	\$
							\$
		DEDUCTIBLE					\$
		RETENTION \$					\$
B		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	A09203249	09/24/2006	09/24/2007	☒ WC STATUS ☐ TORY LIMITS ☐ OTH ER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	\$ 1,000,000.
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000.
						E.L. DISEASE - POLICY LIMIT	\$ 1,000,000.
C		OTHER	ANE1009043.06	09/25/2006	09/25/2007	\$1,000,000.	
		PROFESSIONAL LIABILITY					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

PROFESSIONAL LIABILITY INCLUDES BLANKET CONTRACTUAL COVERAGE.

CERTIFICATEHOLDER SHOWN BELOW IS AN ADDITIONAL INSURED ON THE GENERAL LIABILITY AND AUTOMOBILE POLICIES.

CERTIFICATE HOLDER CITY OF REDLANDS PO BOX 3005 REDLANDS, CA 92373	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>10</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE
--	--

Resolution No. 6588 - Local Emergency - Municipal Utilities Director Phelps asked the City Council for a declaration of an emergency and the authorization to award contracts without the solicitation of competitive bids to pay for damages from a freak lightning storm on February 13, 2007, at approximately 6:00 P.M. when a lightning bolt struck the ground at or near the Hinckley Water Treatment Plant and rendered it inoperative, and from unexpected mechanical breakdowns of pumps and motors at the City's North Orange Well field. This was discussed at length with Councilmember Gil expressing concerns about going around the normal bid process for the repairs needed at the North Orange Well field. Pursuant to the request of the City Manager (the City's Director of Emergency Services), Councilmember Gilbreath moved to proclaim the existence of a "local emergency" in accordance with Chapter 2.52 of the Redlands Municipal Code. Motion seconded by Councilmember Gallagher and carried with Councilmember Gil voting NO. Councilmember Gilbreath moved to find and determine that City staff has presented this City Council with verbal and written testimony which constitutes substantial evidence that the local emergency caused by a lightning strike to the Hinckley Water Treatment Plant along with mechanical breakdowns of pumps and wells of the City's North Orange Well field will not permit a delay in undertaking the work to alleviate the local emergency that would result from a competitive solicitation of bids for the project. Motion seconded by Councilmember Gallagher and carried with Councilmember Gil voting NO. Councilmember Gilbreath moved to adopt Resolution No. 6588, a resolution of the City Council of the City of Redlands declaring that the public interest and necessity demands the immediate expenditure of public money to safeguard life, health and property. Motion seconded by Councilmember Gallagher and carried with Councilmember Gil voting NO (required a 4/5th vote). Councilmember Gilbreath moved that the City Council determine that the City's award of contracts for the repair and replacement of components of the Hinckley Water Treatment Plant and the City's North Orange Well field does not require further environmental processing, pursuant to Section 15269 of the California Environmental Quality Act Guidelines based on the following determinations: emergency repairs to publicly-owned facilities necessary to maintain service essential to the public health, safety and welfare are exempt from the requirements of the California Environmental Quality Act and specific actions necessary to prevent or mitigate an emergency. Motion seconded by Councilmember Gallagher and carried with Councilmember Gil voting NO. Councilmember Gilbreath moved to approve staff negotiating contracts with Beavens, Center Electrical and Layne Christiansen, pursuant to the terms discussed in the staff report to this City Council and authorized the Mayor to execute, and the City Clerk to attest to, the contracts for the repair and replacement of components of the Hinckley Water Treatment Plant and the City's North Orange Well field. Motion seconded by Councilmember Gallagher and carried with Councilmember Gil voting NO.

AGREEMENT FOR PUBLIC IMPROVEMENT PROJECT

This agreement for public improvement ("Agreement") is made and entered into this 27th day of March, 2007 ("Effective Date"), by and between the City of Redlands, a municipal corporation ("City"), and Layne Christensen Company ("Contractor"). City and Contractor are sometimes individually referred to herein as a "Party" and, together, as the "Parties."

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

ARTICLE 1 - ENGAGEMENT OF CONTRACTOR

- 1.1 City hereby retains Contractor to complete North Orange Wellfield Well Equipment Replacement Project, Project No. 1-0775 ("Project").
- 1.2 Contractor and its subcontractors shall possess all appropriate State contractors' licenses required for the work to be performed in connection with the Project, and shall not be debarred pursuant to Labor Code sections 1777.1 and 1777.7.

ARTICLE 2 - RESPONSIBILITIES OF CONTRACTOR

- 2.1 The Project which Contractor shall perform is more particularly described in Exhibit "A," which is attached hereto and incorporated herein by this reference. Exhibit "A" includes the Scope of Work.
- 2.2 Contractor shall comply with all applicable Federal, State and local laws and regulations in the performance of the Project including, but not limited, to all applicable Labor Code and prevailing wage laws commencing at Labor Code section 1770 et seq. and non-discrimination laws, including the Americans With Disabilities Act. Pursuant to Labor Code section 1773.2, copies of the prevailing rates of per diem wages as determined by the Director of the California Department of Industrial Relations for each craft, classification or type of worker needed to undertake the Project are on file at City's Administrative Services Department, located at the Civic Center, 35 Cajon Street, Suite 10 (Mailing: P.O. Box 3005), Redlands, California 92373.
- 2.3 Contractor acknowledges that if it violates the Labor Code provisions relating to prevailing wage, that City may enforce such provisions by withholding contract payments to Contractor or its subcontractors pursuant to Labor Code section 1771.6.
- 2.4 If Contractor executes an agreement with a subcontractor to perform work on the Project, Contractor shall comply with Labor Code sections 1775 and 1777.7, and shall provide the subcontractor with copies of the provisions of Labor Code sections 1771, 1775, 1776, 1777.5, 1813 and 1815. Contractor acknowledges that the statutory provisions establishing penalties for failure to comply with state wage and hour laws and to pay prevailing wages may be enforced by City pursuant to Labor Code sections 1775 and 1813.

- 2.5 Contractor and its subcontractors shall comply with the provisions of Labor Code section 1776 regarding payroll records maintenance, certifications, retention and inspection.
- 2.6 Contractor acknowledges that eight (8) hours constitutes a legal day's work pursuant to Labor Code section 1810.
- 2.7 Contractor shall comply with the provisions of Labor Code section 1777.5 as to apprenticeships, and Labor Code sections 1771, 1775, 1776, 1777.5 1813 and 1815.
- 2.8 Contractor shall obtain, execute and deliver to City a Performance Bond and a Labor and Materials Payment Bond, in the forms attached hereto as Exhibits "B" and "C."
- 2.9 Pursuant to Public Contract Code section 7104, if the Project involves digging trenches or other excavations that extend deeper than four feet below the surface, Contractor shall promptly, and before the following conditions are disturbed, notify City, in writing, of any: (1) material that Contractor believes may be material that is hazardous waste, as defined in Health and Safety Code section 25117, that is required to be removed to a Class I, Class II or Class III disposal site in accordance with provisions of existing law; (2) subsurface or latent physical conditions at the Project site differing from those indicated by information about the site made available to Contractor prior to entering into this Agreement; or (3) unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract. City shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase Contractor's cost of, or the time required for, performance of any part of the work, shall issue a change order under the procedures described in this Agreement. If a dispute arises between City and Contractor whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in Contractor's cost of, or time required for, performance of any part of the work, Contractor shall not be excused from any scheduled completion date provided for by the Agreement, but shall proceed with all work to be performed under the Agreement. Contractor shall retain any and all rights provided either by this Agreement or by law which pertain to the resolution of disputes and protests between the Parties.
- 2.10 Pursuant to Labor Code section 6705, if the Project requires any trench five feet or more in depth, Contractor shall submit, subject to City's approval, in advance of excavation, a detailed plan showing the design of shoring, bracing, sloping or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches. If the plan varies from the shoring system standards, the plan shall be prepared by a registered civil or structural engineer.
- 2.11 Prior to and during any excavation, Contractor is responsible for complying with, and shall comply with, Government Code section 4216 et seq.
- 2.12 Because this Agreement was exempt from competitive bidding, prior to commencement, Contractor shall provide City with the information otherwise found in Public Contract Code section 4104.

- 2.13 Pursuant to Public Contract Code section 7103.5(b), Contractor offers and agrees to assign to City all rights, title and interest in and to all causes of action it may have under section 4 of the Clayton Act (15 U.S.C. section 15) or under the Cartwright Act (Chapter 2 (commencing with section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to this Agreement

ARTICLE 3 - PERIOD OF SERVICE

- 3.1 Contractor shall commence the Project upon City's delivery to Contractor of a written "Notice to Proceed."
- 3.2 Contractor shall complete the Project within sixty (60) calendar days from and after the date of the Notice to Proceed.

ARTICLE 4 - PAYMENT AND NOTICE

- 4.1 City shall pay Contractor on a time and materials basis, at the rates set forth in Exhibit "E" a sum not to exceed sum of Two Hundred Twenty Two Thousand Five Hundred Thirty-Six Dollars (\$222,536) as complete compensation for the work Contractor performs on the Project.
- 4.2 Payments by City to Contractor shall be made within thirty (30) days after City's receipt and approval of Contractor's invoice, by warrant payable to Contractor.
- 4.3 All notices shall be made in writing and shall be given by personal delivery or by mail. Notices sent by mail shall be addressed as follows:

City:

Rudy Victorio
Municipal Utilities
City of Redlands
P.O. Box 3005
Redlands, CA 92373

Contractor:

Cris Hepburn
Layne Christensen Company
11001 Etiwanda Avenue
Fontana, CA 92337

When so addressed, such notices shall be deemed given upon deposit in the United States mail; in all other instances, notices, bills and payments shall be deemed given at the time of actual delivery. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this section 4.3.

- 4.4 Pursuant to Public Contract Code section 22300, Contractor has the option to deposit securities with an Escrow Agent as a substitute for retention of earnings requirement to be withheld by City pursuant to an Escrow Agreement as set forth in Public Contract Code section 22300.

ARTICLE 5 - INSURANCE AND INDEMNIFICATION

- 5.1 Contractor's Insurance to be Primary. All insurance required by this Agreement shall be maintained by Contractor for the duration of the Project, and shall be primary with respect to City and non-contributing to any insurance or self-insurance maintained by City.
- 5.2 Workers' Compensation and Employer's Liability
- A. Contractor shall secure and maintain Workers' Compensation and Employer's Liability insurance for its employees throughout the duration of the Project pursuant to Labor Code sections 3700 and 1860, in an amount which meets statutory requirements, with an insurance carrier acceptable to City. The insurance policy shall include a provision prohibiting the policy's modification or cancellation except upon thirty (30) days prior written notice to City. Contractor shall execute and deliver to City a Worker's Compensation Insurance Certification in the form attached hereto as Exhibit "D" prior to commencement of the Project.
 - B. Contractor expressly waives all rights to subrogation against City and its elected officials, officers and employees, for losses arising from work performed by Contractor on the Project by expressly waiving Contractor's immunity for injuries to Contractor's employees. Contractor 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 Contractor. This waiver is mutually negotiated by the Parties.
- 5.3 Hold Harmless and Indemnification. Contractor shall indemnify, hold harmless and defend City and its elected officials, employees and agents from and against any and all claims, losses and liability, including attorneys' fees, arising from injury or death to persons or damage to property occasioned by any act or omission of Contractor, and its officers, employees and agents, in performing the Project.
- 5.4 Assignment. Contractor is expressly prohibited from assigning any of the work associated with the Project without the express prior written consent of City. In the event of mutual agreement by the Parties to assign a portion of the Project, Contractor shall add the assignee as an additional insured to its insurance policies and provide City with the insurance endorsements prior to any work being performed by the assignee. Assignment does not include printing or other customary reimbursable expenses that may be provided for in this Agreement.
- 5.5 Comprehensive General Liability Insurance. Contractor shall secure and maintain in force throughout the duration of the Project comprehensive general liability insurance, with carriers acceptable to City, with 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. City shall be named as an additional insured and the insurance policy shall include a provision prohibiting its modification or cancellation except upon thirty (30) days prior written notice to City. A certificate of insurance and endorsements shall be delivered to City

prior to commencement of the Project.

- 5.6 Business Auto Liability Insurance. Contractor shall have business automobile 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. City shall be named as an additional insured and the insurance policy shall include a provision prohibiting its modification or cancellation except upon thirty (30) days prior written notice to City. Certificate of insurance with endorsements shall be delivered to City prior to commencement of the Project.
- 5.7 Liquidated Damages. Failure of the Contractor to complete the work within the time allowed will result in damages being sustained by City. Such damages are, and will continue to be, impracticable and extremely difficult to determine. The Contractor shall pay to City, or have withheld from monies due it, the sum of Five Hundred Dollars (\$500) for each consecutive calendar day in excess of the specified time for completion of Work. Execution of the Agreement shall constitute agreement by City and Contractor that Five Hundred Dollars (\$500) per day is the minimum and actual damage caused by the failure of the Contractor to complete the Project within the allowed time. Such sum is liquidated damages and shall not be construed as a penalty, and may be deducted from payments due the Contractor if such delay occurs.

ARTICLE 6 - GENERAL CONSIDERATIONS

- 6.1 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 recover its reasonable attorneys' fees, including fees for the use of in-house counsel by a Party.
- 6.2 All documents, records, drawings, electronic data files and data base, photographic prints and negatives, designs and specifications, cost estimates, and other Project documents developed by Contractor for the Project shall become the property of City and shall be delivered to City upon completion of the Project.
- 6.3 Contractor is, for all purposes under this Agreement, an independent contractor with respect to the Project and not an employee of City. All personnel employed by Contractor to perform the Project are for its account only, and in no event shall Contractor 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. Nothing in this Agreement shall be considered to create the relationship of employer and employee between the Parties.
- 6.4 Unless earlier terminated as provided for below, this Agreement shall terminate upon completion and acceptance of the Project by City.
- 6.5 City may terminate this Agreement for any reason, at any time at its sole discretion, upon five (5) calendar days prior written notice to Contractor.

- 6.6 Upon receipt of a termination notice, Contractor shall (1) promptly discontinue all work associated with the Project and (2) deliver or otherwise make available to City, copies of any data, design calculations, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated by Contractor in performing the Project. Contractor shall be compensated on a pro-rata basis for any work completed up until notice of termination.
- 6.7 This Agreement, including the exhibits incorporated by reference, represents the entire agreement and understanding between the Parties as to the matters contained herein and any prior negotiations, proposals and verbal agreements relating to the subject matter hereof are superseded by this Agreement. Any amendment to this Agreement shall be in writing and approved by the City Council and signed by City and Contractor.
- 6.8 This Agreement shall be governed by and construed in accordance with the laws of the State of California.
- 6.9 Claims by the Contractor in the amount of Three Hundred Seventy-Five Thousand Dollars (\$375,000) or less shall be made by Contractor and processed by City pursuant to the provisions of Part 3, Chapter 1, Article 1.5 of the Public Contract Code (commencing with section 20104). All claims shall be in writing and include the documents necessary to substantiate the claim. Nothing in subdivision (a) of Public Contract Code section 20104.2 shall extend the time limit or supersede the notice requirements provided in this case from filing claims by Contractor.
- 6.10 If any provision or part of this Agreement is held to be void or unenforceable under any law or regulation, it shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon City and Contractor.

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

CITY OF REDLANDS

By 
Jon Harrison, Mayor

ATTEST:


City Clerk

LAYNE CHRISTENSEN COMPANY

By 
David Singleton, Western Regional Vice President

Date 28 MAR 07

EXHIBIT “A”

Exhibit "A"

North Orange Street Well No. 1 and No. 2

General Scope of Work

The Contractor shall furnish and install a new 3000 gallon per minute vertical turbine pump and motor at each well site. General specifications are applied to both well locations and or specific to each where noted.

Contractor shall supply a total net price for each site with submittals for motor and vertical turbine pump to be reviewed by City of Redlands engineering and staff based on the following specification. Staff will then review the proposal and issue a Notice to Proceed.

Special circumstances require the first of two new supplied vertical turbine pumping equipment to be in production 45 calendar days after Notice to Proceed is issued and the second in 60 calendar days after Notice to Proceed.

Use of temporary equipment to meet the 45 and 60 calendar day dead line production schedule are permitted for such long lead items as the Vertical Hollow Shaft pump motors. City of Redlands will not incur any additional cost for placement of permanent equipment. Contractor is required to supply a minimum 48 hour notice to engineering and water production before performing any work to a production well which will cause that pump to be shut down and locked out of service.

North Orange Street Well No.1 shall be the first to have the existing pump pulled and new pumping equipment installed. Well No.1 shall be disinfected per city standard, bacteria sample results negative and in production before North Orange Well No.2 is shut down.

Well No. 2 has a critical non-chlorinated sole source tap from Cemex plant discharge piping manifold. No additional cost will be required from the pump installer and supplier's contract for an alternative water supply. Contractor's only requirement is that the negotiated schedule between the City of Redlands, pump installation contractor and onsite rock and gravel plant be doable from shutdown to production status of newly installed pumping equipment.

Contractor shall supply and install a new electrical motor run for each site from existing motor starter switchgear enclosure to Vertical Hollow Shaft motor j-box and all necessary conduit, wire, fittings and connectors per NEC code. Contractor shall use existing parallel 4" underground conduit runs.

Contractor shall supply and install all necessary discharge piping adapters from specified carbon steel fabricated head to existing manifold to maintain present elevation at each site.

Contractor shall supply and install all necessary material for a sanitary seal at pump head and existing concrete pump base at each site. Any alteration required to adapt new fabricated pump head and equipment to pump base will be furnished at contractor's expense.

Contractor shall supply and install a stainless steel air line with mounting bracket and direct reading gauge at each site.

City of Redlands staff will assist contractor in the disinfection of well and pump at each location per city standard by supplying and injecting chlorine. City staff will also fast track sample gathering and lab analysis.

City of Redlands staff will primer and paint all newly installed equipment at each site.

City of Redlands will furnish contractor with the August 2006 Edison hydraulic test for each site and well completion log. Water production will furnish the latest 2007 static water and pumping level readings.

Completion of installation will conclude with an overall plant efficiency test of the entire new vertical turbine pumping equipment for well's No.1 and No.2. Minimum plant efficiency of 72% is required at a vibration level of 4 mills or less.

Presently in service VTP and Equipment

Vertical Turbine Pump (VTP) equipment presently in use at North Orange Well no.1 and 2 when removed shall be transported and stored at the contractor's facility. The contractor is required to provide a storage area to protect the city's property from further derogation or loss.

Contractor shall provide a report as to the present condition of each pump and an estimate only of labor and materials to rebuild to factory standard. City of Redlands engineering and staff will evaluate findings and instruct contractor as to the disposition of pumping equipment at a later date.

Vertical Hollow Shaft motors removed from North Orange Well No.1 and 2 shall be transported by the contractor to the City of Redlands facility Texas Street Reservoir less than 2 miles from North Orange well field.

Note: North Orange Well No.1 originated from well #34

North Orange Well No.2 originated from Mission well

Motors from North Orange Well No.1 or No.2 are available for temporary use if applicable.

Vertical Turbine Pump Specification

Hydraulic Data:

Flow:	3000gpm North Orange No.1	3000gpm North Orange No.2
TDH:	270.0 ft North Orange No.1	240.0 ft North Orange No.2
Speed:	1770 rpm	
Fluid;	Water	
Temp;	70 deg f	
Spec. Grav:	1	

Line Shaft Data:

Shaft:	1 15/16 (1.94")
Material	C-1045
Type:	Oil Lubricated
Tube:	3.00"

Column Data:

Column Diameter:	12"
Wall Thickness:	.375
Column Length:	320ft North Orange No.1 300ft North Orange No.2

Pump Discharge Head Data:

Type:	Carbon Steel Fabricated
Discharge Flg:	12" 150lb
Coatings:	Scotch Kote 134 Interior water passage area only

Motor Data:

Make:	US Motors/Emerson
RPM;	1770
Efficiency:	94%
Ratchet:	NRR
Type:	RUS1
Frame:	447TPA
Thrust:	175%
J-Box:	2/ 4"npt

Exhibit "B"

PERFORMANCE BOND

Bond No. 104898880

WHEREAS, the City of Redlands (hereinafter designated as "City"), and Layne Christensen Company (hereinafter designated as "Principal") have entered into an Agreement whereby Principal agrees to install and complete certain designated public improvements, which by said agreement dated March 20, 2007, and identified as Contract No. 1-0775, ("Project") is hereby referred to and made a part hereof; and

WHEREAS, under the terms of said agreement, Principal is required, prior to performance of the Project, to furnish a bond for the faithful performance of said agreement.

NOW, THEREFORE, said Principal and the undersigned as corporate surety, are held and firmly bound unto City in the penal sum of Two Hundred Twenty-Two Thousand Five Hundred Thirty-Six Dollars (\$222,536.00) lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bounded principal, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless City, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

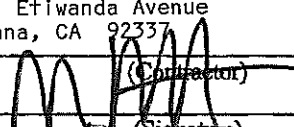
As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and surety named, on
April 13, 2007. Bond No. 104898880

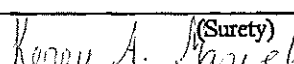
Layne Christensen Company
11001 Etiwanda Avenue
Fontana, CA 92337

(SEAL)


(Signature)

Travelers Casualty and Surety
Company of America

(SEAL)

BY:  (Surety)
Kerry A. Marvel (Signature) Attorney-In-Fact

Address: One Tower Square
Hartford, CT 06183

Telephone (860) 277-1561

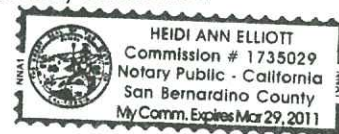
(Seal and Notarial Acknowledgment of Surety)

PRINCIPAL ACKNOWLEDGMENT

STATE OF California)

COUNTY OF San Bernardino)

On April 16, 2007 before me, Heidi Ann Elliott, Notary Public personally appeared David A. Singleton personally known to me or () proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Signature Heidi Ann Elliott (Seal)

SURETY ACKNOWLEDGMENT

STATE OF MISSOURI)

COUNTY OF JACKSON)

On April 13, 2007 before me, Nancy A. Clover, Notary Public personally appeared Kerry A. Marvel personally known to me or () proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Nancy A. Clover (Seal)

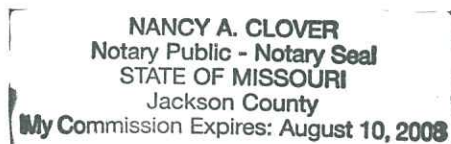


Exhibit "C"
LABOR AND MATERIAL BOND

Bond No. 104898880

Whereas, the City of Redlands ("City") and Layne Christensen Company (hereinafter designated as "Principal") have entered into an agreement whereby Principal agrees to install and complete certain designated public improvements, which said agreement, dated March 20, 2007, and identified as North Orange Wellfield Well Equipment Replacement Project, Project No. 1-0775 ("Project") is hereby referred to and made a part hereof; and

Whereas, under the terms of said agreement, Principal is required before entering upon the performance of the Project, to file a good and sufficient payment bond with City to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code.

Now, therefore, the Principal and the undersigned as corporate surety, are held firmly bound unto City and all contractors, subcontractors, laborers, material men and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of Two Hundred Twenty-Two Thousand Five Hundred Thirty-Six Dollars (\$222,536.00) for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said surety will pay the same in an amount not exceeding the amount hereinabove set forth, and also in case suit is brought upon this bond, will pay, in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by City in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed that this bond shall insure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

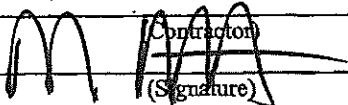
Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement or the specifications accompanying the same shall in any manner affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition.

In witness whereof, this instrument has been duly executed by the Principal and surety above named, on April 13, 2007

Layne Christensen Company
11001 Etiwanda Avenue
Fontana, CA 92337

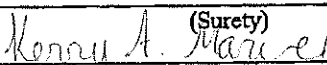
(SEAL)


(Contractor)
(Signature)

(Seal and Notarial Acknowledgment of Surety)

Travelers Casualty and Surety
Company of America

(SEAL)

BY:  (Surety)
Kerry A. Marvel (Signature) Attorney-In-Fact

Address: One Tower Square

Hartford, CT 06183

Telephone (860) 277-1561

PRINCIPAL ACKNOWLEDGMENT

STATE OF California)

COUNTY OF San Bernardino)

On April 16, 2007 before me, Heidi Ann Elliott, Notary Public personally appeared David D. Singleton personally known to me or () proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Heidi Ann Elliott (Seal)



SURETY ACKNOWLEDGMENT

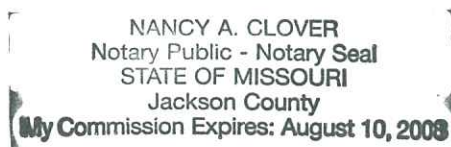
STATE OF MISSOURI)

COUNTY OF JACKSON)

On April 13, 2007 before me, Nancy A. Clover, Notary Public personally appeared Kerry A. Marvel personally known to me or () proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Nancy A. Clover (Seal)





POWER OF ATTORNEY

Farmington Casualty Company
 Fidelity and Guaranty Insurance Company
 Fidelity and Guaranty Insurance Underwriters, Inc.
 Seaboard Surety Company
 St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company
 St. Paul Mercury Insurance Company
 Travelers Casualty and Surety Company
 Travelers Casualty and Surety Company of America
 United States Fidelity and Guaranty Company

Attorney-In Fact No. 217838

Certificate No. 001505259

KNOW ALL MEN BY THESE PRESENTS: That Seaboard Surety Company is a corporation duly organized under the laws of the State of New York, that St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company and St. Paul Mercury Insurance Company are corporations duly organized under the laws of the State of Minnesota, that Farmington Casualty Company, Travelers Casualty and Surety Company, and Travelers Casualty and Surety Company of America are corporations duly organized under the laws of the State of Connecticut, that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc. is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Melissa D. Evans, Patrick T. Pribyl, Debra J. Scarborough, David M. Lockton, Christy M. McCart, Mary T. Flanigan, Ronald J. Lockton, Patrick T. Moughan, Clifford B. Young, Claudia Mandato, Carolyn van Haaren, Laura E. Coon, Jeffrey C. Carey, Kerry A. Marvel, and Joe Pryor

of the City of Kansas City, State of Missouri, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 8th day of March, 2007.

Farmington Casualty Company
 Fidelity and Guaranty Insurance Company
 Fidelity and Guaranty Insurance Underwriters, Inc.
 Seaboard Surety Company
 St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company
 St. Paul Mercury Insurance Company
 Travelers Casualty and Surety Company
 Travelers Casualty and Surety Company of America
 United States Fidelity and Guaranty Company



State of Connecticut
 City of Hartford ss.

By:

George W. Thompson
 George W. Thompson, Senior Vice President

On this the 8th day of March, 2007, before me personally appeared George W. Thompson, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
 My Commission expires the 30th day of June, 2011.



Marie C. Tetreault
 Marie C. Tetreault, Notary Public

Nº 6516

STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE
SAN FRANCISCO

Amended

Certificate of Authority

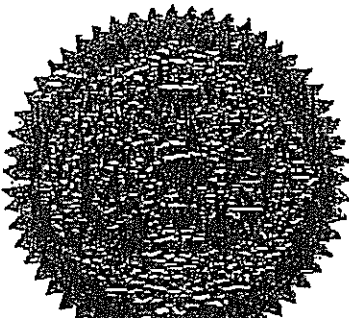
THIS IS TO CERTIFY, That, pursuant to the Insurance Code of the State of California,

Travelers Casualty and Surety Company of America

of Hartford, Connecticut, organized under the
laws of Connecticut, subject to its Articles of Incorporation or
other fundamental organizational documents, is hereby authorized to transact within this State,
subject to all provisions of this Certificate, the following classes of insurance: Fire, Marine,
Surety, Disability, Plate Glass, Liability, Workers' Compensation,
Common Carrier Liability, Boiler and Machinery, Burglary, Credit,
Sprinkler, Team and Vehicle, Automobile, Aircraft, and Miscellaneous
as such classes are now or may hereafter be defined in the Insurance Laws of the State of California.

THIS CERTIFICATE is expressly conditioned upon the holder hereof now and hereafter being in
full compliance with all, and not in violation of any, of the applicable laws and lawful requirements
made under authority of the laws of the State of California as long as such laws or requirements are
in effect and applicable, and as such laws and requirements now are, or may hereafter be changed
or amended.

IN WITNESS WHEREOF, effective as of the 1st day
of JULY, 1927, I have hereunto set
my hand and caused my official seal to be affixed this 16th
day of JUNE, 1927.



By

Chuck Quackenbush
Insurance Commissioner
Victoria S. Sedbury

NOTICE: Qualification with the Secretary of State must be accomplished as required by the California Corporation Code promptly after issuance of this Certificate of Authority. Failure to do so will be a violation of Ins. Code Sec. 701 and will be grounds for revoking this Certificate of Authority pursuant to the covenants made in the application therefor and the conditions contained herein.

Exhibit "D"
WORKERS' COMPENSATION INSURANCE CERTIFICATION

Contract No 1-0775

Every employer except the State, shall secure the payment of compensation in one or more of the following ways:

- (a) By being insured against liability to pay compensation in one or more insurer duly authorized to write compensation insurance in this State.
- (b) By securing from the Director of Industrial Relations, a certificate of consent to self-insure, either as an individual employer or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees.

I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code §1861).

APRIL 16, 2007
Date

Layne Christensen Company

By: 
Signature of Authorized Agent

DAVID D. SINGLETON
VICE PRESIDENT, WESTERN REGION
Signatory's Title

510011
Contractor's License No.

APRIL 16, 2007
Date

EXHIBIT "E"



PREVAILING RATE SCHEDULE
Effective 04/01/07 through 03/31/08

DESCRIPTION	RATE	PER
ALL RATES ARE ON SITE ONLY. REFER TO STANDARD RATE SHEET FOR ALL OTHERS		
2 MEN, RIG & SERVICE TRUCK	299.00	HR
3 MEN, RIG & SERVICE TRUCK	410.00	HR
4 MEN, RIG & SERVICE TRUCK	515.00	HR
WIRE BRUSH RENTAL	695.00	EA
AIR COMPRESSOR RENTAL (450 CFM & SMALLER)	95.00	HR
AIR COMPRESSOR RENTAL (451 CFM & LARGER)	170.00	HR
2 MEN, COMBO RIG & SERVICE TRUCK	307.00	HR
1 MAN, ROTARY CRANE - 12 TON & BELOW	199.00	HR
2 MEN, 12 TON & BELOW CRANE	336.00	HR
1 MAN, ROTARY CRANE - 30 TON & FMC	295.00	HR
1 MAN, ROTARY CRANE - 75 TON	452.00	HR
1 MAN, DELIVERY TRUCK	99.00	HR
1 MAN, SERVICE TRUCK	165.00	HR
1 MAN, TRACTOR-TRAILER	155.00	HR
2 MEN, SERVICE TRUCK	282.00	HR
1 MAN, WELDING TRUCK	165.00	HR
ELECTRICIAN & SERVICE TRUCK	165.00	HR
GENERAL SHOP LABOR	99.00	HR
MACHINE SHOP LABOR	99.00	HR
TUBE & SHAFT REPAIR		
2" THROUGH 2-1/2"	11.75	FT
3" THROUGH 4"	12.85	FT
WELDING SHOP LABOR	99.00	HR
VIDEO LOG	1,160.00	WELL
CAMERA OPERATOR - IN EXCESS OF 5 HRS ON SITE-ADD	155.00	HR
CAMERA OPERATOR - IN EXCESS OF 5 HRS PORTAL TO PORTAL-ADD	102.00	HR
RE-VIDEO SAME WELL	1,100.00	WELL
DUPLICATE TAPE/DVD	110.00	EA
OVERTIME	1 1/2X	2X
Operating Eng	126.00 (A)	172.00 (B)
Laborer	95.00 (D)	-----
		SUN
		172.00(C)
		125.00(E)
		HOLIDAY
		214.00 (E)
		125.00 (E)
(A) Overtime over 8 hours in one day, first 12 hours on Saturday.		
(B)- Overtime over 12 hours one day, and over 12 hours on Saturday.		
(C)- All hours on Sunday		
(D) Overtime over 8 hours in one day and all Saturday time.		
(E) Overtime for all hours on Sunday or Holiday.		
ADDITIONAL RIG HELPER	110.00	HR
1 MAN, SERVICE TRUCK WITH BOOM	175.00	HR
TEST PUMP OPERATOR & FUEL 350HP & BELOW	235.00	HR
TEST PUMP OPERATOR & FUEL 351HP & ABOVE	290.00	HR
PORTABLE STEAM CLEANER	230.00	DAY

AQUA FREED UNIT, OPERATOR AND PICK-UP TRUCK	190.00	HR
CHEMICAL TRAILER, TRACTOR, 3 MEN, RIG & SERVICE TRUCK	535.00	HR
CHEMICAL TRAILER, TRACTOR, 2 MEN, RIG & SERVICE TRUCK	430.00	HR
NEUTRALIZATION TRAILER WITH OPERATOR	197.00	HR
BORE BLAST II WITH OPERATOR:		
0' TO 500'	3,500.00	LS
500' TO 1,000'	5,500.00	LS
1,000' TO 1,500'	7,500.00	LS
1,500' TO 2,000'	9,500.00	LS
1 MAN BACKHOE WITH TRAILER & TRUCK	160.00	HR
2 MEN, BUCKET RIG & SERVICE TRUCK	360.00	HR
1 MAN, WATER TRUCK	149.00	HR

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**STANDARD
RATE SCHEDULE**

Effective 04/01/07 through 03/31/08

DESCRIPTION	RATE	PER
<u>ALL RATES ARE PORTAL TO PORTAL</u>		
2 MEN, RIG & SERVICE TRUCK	220.00	HR
3 MEN, RIG & SERVICE TRUCK	299.00	HR
4 MEN, RIG & SERVICE TRUCK	380.00	HR
WIRE BRUSH RENTAL	695.00	EA
AIR COMPRESSOR RENTAL (450 CFM & SMALLER)	95.00	HR
AIR COMPRESSOR RENTAL (451 CFM & LARGER)	170.00	HR
2 MEN, COMBO RIG	230.00	HR
1 MAN, ROTARY CRANE - 12 TON & BELOW	152.00	HR
2 MEN, 12 TON & BELOW CRANE	252.00	HR
1 MAN, ROTARY CRANE - 30 TON & FMC	240.00	HR
1 MAN, ROTARY CRANE - 75 TON	370.00	HR
1 MAN, DELIVERY TRUCK	99.00	HR
1 MAN, SERVICE TRUCK	115.00	HR
1 MAN, TRACTOR--TRAILER	131.00	HR
2 MEN, SERVICE TRUCK	205.00	HR
1 MAN, WELDING TRUCK	115.00	HR
ELECTRICIAN & SERVICE TRUCK	115.00	HR
GENERAL SHOP LABOR	99.00	HR
MACHINE SHOP LABOR	99.00	HR
WELDING SHOP LABOR	99.00	HR
TUBE & SHAFT REPAIR		
2" THROUGH 2-1/2"	11.75	FT
3" THROUGH 4"	12.85	FT
VIDEO LOG	1,160.00	WELL
CAMERA OPERATOR - IN EXCESS OF 5 HRS PORTAL TO PORTAL-ADD	102.00	HR
RE-VIDEO SAME WELL	1,100.00	WELL
PHOTO - STILL SHOTS	47.00	EA
DUPLICATE TAPE/DVD	110.00	EA
OVERTIME - SATURDAY & OVER 8 HRS./DAY/MAN 1 1/2X	57.00	MAN/HR
OVERTIME - OVER 12 HRS./DAY/MAN 2X	115.00	MAN/HR
OVERTIME - 7Th CONSECUTIVE DAY FIRST 8 HRS./DAY/MAN 1 1/2X	57.00	MAN/HR
OVERTIME - 7Th CONSECUTIVE DAY OVER 8 HRS./DAY/MAN 2X	115.00	MAN/HR
OVERTIME - SUNDAY 2X	110.00	MAN/HR
OVERTIME - HOLIDAY 2 1/2X	142.00	MAN/HR
ADDITIONAL RIG HELPER	85.00	HR
1 MAN, SERVICE TRUCK WITH BOOM	125.00	HR
TEST PUMP OPERATOR & FUEL 350HP & BELOW	200.00	HR
TEST PUMP OPERATOR & FUEL 351HP & ABOVE	249.00	HR
PORTABLE STEAM CLEANER	220.00	DAY
AQUA FREED UNIT, OPERATOR AND PICK-UP	147.00	HR

CHEMICAL TRAILER, TRACTOR, 3 MEN, RIG & SERVICE TRUCK	435.00	HR
CHEMICAL TRAILER, TRACTOR, 2 MEN, RIG & SERVICE TRUCK	352.00	HR
NEUTRALIZATION TRAILER AND OPERATOR	165.00	HR
BORE BLAST II WITH OPERATOR:		
0' TO 500'	3,150.00	LS
500' TO 1,000'	5,250.00	LS
1,000' TO 1,500'	7,000.00	LS
1,500' TO 2,000'	8,925.00	LS
1 MAN BACKHOE WITH TRAILER & TRUCK	125.00	HR
2 MEN, BUCKET RIG & SERVICE TRUCK	315.00	HR
1 MAN, WATER TRUCK	125.00	HR

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