

AGREEMENT

THIS AGREEMENT, made and entered into this 4th day of November, 2003, by and between the City of Redlands, a Municipal Corporation, organized and existing under the laws of the State of California, hereinafter referred to as the "City" and Pascal & Ludwig Constructors, of the City of Ontario, County of San Bernardino, State of California, hereinafter referred to as "Contractor".

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

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

Construction of the Upgrades to the Henry Tate Surface Water Treatment Plant, complete all as required by the Contract Documents and Specifications for **UPGRADES TO THE HENRY TATE SURFACE WATER TREATMENT PLANT, Project No. 4-0438.**

2. **THE CONTRACT SUM:** \$4,546,519 in accordance with the terms and conditions set forth in the Contract Documents.

A. Pursuant to Section 22300 of the California Public Contract Code, 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.

3. **TIME FOR COMPLETION:** The work under this Contract to be completed within four hundred fifty (450) calendar days from and after the date of the Notice to Proceed.
4. **LIQUIDATED DAMAGES:** Failure of the Contractor to complete the work within the time allowed will result in damages being sustained by the City. Such damages are, and will continue to be, impracticable and extremely difficult to determine. The Contractor shall pay to the City, or have withheld from monies due it, the sum of \$500 for each consecutive calendar day in excess of the specified time for completion of Work.

Execution of the Contract shall constitute agreement by the City and Contractor that \$500 per day is the minimum and actual damage caused by the failure of the Contractor to complete the Work 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.

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

6. **ATTORNEYS' FEES:** In the event any legal action is commenced to enforce or interpret the terms or conditions of the contract documents, the prevailing party in such action, in addition to any costs and other relief, shall be entitled to recover its reasonable attorneys' fees.
7. **RESOLUTION OF CONSTRUCTION CLAIMS:** Claims by the Contractor in the amount of \$375,000.00 or less shall be made by Contractor and processed by the City pursuant to the provisions of Part 3, chapter 1, article 1.5 of the Public Contracts 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 Contracts Code Section 20104.2 shall extend the time limit or supersede the notice requirements provided in this case from filing claims by Contractor.
8. **ELIGIBILITY OF CONTRACTOR/SUBCONTRACTOR:** Contractor and any subcontractors agree to abide by California Public Contractor's Code section 6109 and California Labor Code sections 1777.1 and/or 1777.7 and certify that they are not debarred and are eligible to work on this project.
9. **ASSIGNMENT OF AGREEMENT:** No assignment by a party hereto of any rights or interests under this agreement will be binding on another party without the written consent of the party sought to be bound.
10. **SUCCESSORS AND ASSIGNS:** City and Contractor each binds itself, its partners, successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.
11. **SEVERABILITY:** Any provision or part of the contract documents held to be void or unenforceable under any law or regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon City and Contractor.

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

(SEAL)

City of Redlands
(Owner)

By: [Signature]
Mayor, City of Redlands, County of
San Bernardino, California

ATTEST:

[Signature]
City Clerk, City of Redlands
County of San Bernardino, California

(SEAL)

PASCAL & LUDWIG CONSTRUCTORS
Name of Contractor

By: [Signature]
Signature of Authorized Agent

PRESIDENT
Title

Signature of Authorized Agent (if necessary)

Title

373525
Contractor's License No.