

PUBLIC WORKS CONSTRUCTION CONTRACT

This Public Works Construction Contract ("Contract") made and entered into this 21st day of January, 2014, by and between the City of Redlands, a municipal corporation organized and existing under the laws of the State of California, (hereinafter "City"), and SND Construction, Incorporated (hereinafter "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:

1. **SCOPE OF WORK:** Contractor shall furnish all materials and perform all of the work for the following: **2013 CIP SEWER PIPELINE REPLACEMENT PROJECT**, complete all items as required by the Contract Documents (as herein defined) and Specifications for City's **2013 CIP SEWER PIPELINE REPLACEMENT PROJECT, Project No. 73409**.
2. **THE CONTRACT SUM:** City shall pay Contractor the sum of \$867,909.75 as consideration for its performance of the Work in accordance with the terms and conditions set forth in the Contract Documents. 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 the Public Contract Code Section 22300.
3. **TIME FOR COMPLETION:** The Work shall be completed within 60 calendar days from and after the date of the delivery to Contractor of a written Notice to Proceed by City.
4. **LIQUIDATED DAMAGES:** Contractor's failure 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. Accordingly, Contractor shall pay to City, or have withheld from monies due to Contractor, the sum of \$2,000 for each consecutive calendar day in excess of the specified time for completion of Work.

Execution of the Contract shall constitute agreement by City and Contractor that \$2,000 per day is the estimated damage to City caused by the failure of the Contractor to complete the Work within the allowed time. Such sum is for liquidated damages and shall not be construed as a penalty, and may be deducted from payments due Contractor if such delay occurs.
5. **CONTRACT DOCUMENTS:** This Contract includes all of the Contract documents set forth herein, to wit; Notice Inviting Bids, Instructions to Bidders, Contractor's Proposal, Bid Bond, Agreement, Performance Bond, Labor and Material Bond, Plans, General Conditions, General Requirements, Technical 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, including fees for use of in-house counsel by a Party.

7. **RESOLUTION OF CONSTRUCTION CLAIMS:** Claims by Contractor in the amount of \$375,000 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 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.
8. **ELIGIBILITY OF CONTRACTOR/SUBCONTRACTOR:** Contractor and all of its subcontractors shall abide by California Public Contract 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 of any rights or interests under this Contract shall 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 and their respective successors and assigns 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: Pete Aguil
Mayor, City of Redlands,
County of San Bernardino, California

ATTEST:

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

(SEAL)

SMD Construction, Inc.
Name of Contractor

By: [Signature]
Signature of Authorized Agent

President
Title

Signature of Authorized Agent (if necessary)

Title

941149
Contractor's License No.