

AGREEMENT FOR PUBLIC IMPROVEMENT PROJECT

This Agreement is made and entered into this 6th day of November, 2007 ("Effective Date"), by and between the City of Redlands, a municipal corporation ("City"), and SoCal Pump & Well Drilling, Inc., a California corporation ("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 for the purchase and installation of a new replacement well motor and head shaft for the City's Airport 2 well (the "Project").
- 1.2 Contractor and its subcontractors shall possess all appropriate State contractor's 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.
- 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 (P.O. Box. 3005 mailing), 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.

ARTICLE 3 - PERIOD OF SERVICE

- 3.1 Contractor shall commence the Project upon City's delivery to Contractor of a written "Notice to Proceed," and Contractor shall fully complete the Project within thirty (30) days of the Effective Date of this Agreement.

ARTICLE 4 - PAYMENT AND NOTICE

- 4.1 City shall pay Contractor the sum of Seventeen Thousand One Hundred Ninety-Two Dollars and 86/100 (\$17,192.86) as total compensation for furnishing one U.S. Motor, 250 HP 1800 RPM, VHS, WP-1 SRF 460 volt PWS 175% Thrust, Premium Efficient with 120 volt space heaters 20" BD and shall further pay Contractor the sum of Three Thousand Three Hundred Ninety-Five Dollars (\$3,395.00) as total compensation for installation of 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 in writing and shall be given by personal delivery or by United States mail. Notices sent by mail shall be addressed as follows:

City:

Chris Diggs
Municipal Utilities Department
City of Redlands
PO Box 3005
Redlands, CA 92373

Contractor:

Keith Collier
SoCal Pump & Well Drilling, Inc.
1510 Palmyrita Avenue
Riverside, CA 92507

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 who notices, bills and payments are to be given by giving notice pursuant to this section 4.3.

ARTICLE 5 - INSURANCE AND INDEMNIFICATION

5.1 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 1860 and 3700, in an amount which meets statutory requirements, with an insurance carrier acceptable to City. Contractor shall execute and deliver to City a Worker's Compensation Insurance Certification in the form attached hereto as Exhibit "B" 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's obligation to indemnify, defend and hold City 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. This subsection shall not apply to any damage resulting from the sole negligence of City, its agents and employees. To the extent any of the damages referenced herein were caused by or resulted from the concurrent negligence of City, its agents or employees, the obligations provided herein to indemnify, defend and hold harmless are valid and enforceable only to the extent of the negligence of Contractor, its officers, employees and agents.

5.2 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. This Section 5.2 shall survive any termination or expiration of this Agreement.

5.3 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 required by this Agreement prior to any work being performed by the assignee. Assignment does not include printing or other customary reimbursable expenses that may be provided in this Agreement.

- 5.4 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. Such insurance shall be primary and non-contributing to any insurance or self-insurance maintained by City. Certificates of insurance and endorsements shall be delivered to City prior to commencement of the Project.
- 5.5 Business Auto Liability Insurance. Contractor shall secure and maintain business auto liability coverage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence, combined single limit for bodily injury liability and property damage liability. Such coverage shall include all Contractor 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 the City. Such insurance shall be primary and non-contributing to any insurance or self-insurance maintained by City. Certificates of insurance and endorsements shall be delivered to City prior to commencement of the Project.

ARTICLE 6 - GENERAL CONSIDERATIONS

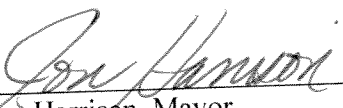
- 6.1 In the event any action is commenced to enforce or interpret any of the terms or conditions of this Agreement the prevailing Party shall, in addition to any costs and other relief, be entitled to recover its reasonable attorneys' fees, including fees for the use of in-house counsel by a Party.
- 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.

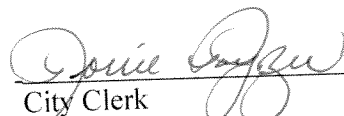
- 6.5 Upon receipt of a termination notice, Contractor shall (1) promptly discontinue all work associated with the Project and (2) deliver or otherwise make available to City, copies of any data, design calculations, drawings, specifications, reports, estimates, summaries, and such other information 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.
- 6.6 This Agreement, including the Exhibits incorporated herein by reference, represents the entire agreement and understanding between the Parties as to the matters contained herein and any prior negotiations, 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 of City and signed by City and Contractor.
- 6.7 This Agreement shall be governed by and construed in accordance with the laws of the State of California.

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

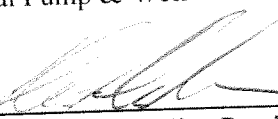
CITY OF REDLANDS

ATTEST:

By 
Jon Harrison, Mayor


City Clerk

SoCal Pump & Well

By 
Keith Collier, Vice President

Date 11-5-07

EXHIBIT "A"



Licensed Contractors
License No. 810838

October 1, 2007

Highland Avenue Water Complex
955 Parkford Drive
Redlands, CA 92373

Reference: Atrport #2 Replacement Motor
Attention: Jerry Zysek

* Furnish only one:

U.S. Motor, 250 HP 1800 RPM, VHS, WP-1 SRF 460 volt PWS
175% Thrust, Premium Efficient with 120 volt space heaters 20" BD

Total Amount \$17,192.86

These prices are firm for thirty days, after such time it may be subject to review and/or possible change. This price does include applicable sales taxes.

If you should require further information, please contact our office. Thank you for choosing SoCal Pump & Well Drilling, Inc., a full service pump, electrical, fabrication and water well drilling company.

Sincerely,

A handwritten signature in black ink, appearing to read 'Keith Collier', is written over a horizontal line.

Keith Collier
Vice President

Design • Installation • Sales • Service • Repair • Maintenance • Complete Electrical and Motor Repair

Corporate Office ♦ 1510 Palmyrta Ave. • Riverside, CA 92507 • Bus. (951) 341-5025 • Fax (951) 341-5031

Las Vegas Office ♦ 3111 South Valley View Lane, Suite A112 • Las Vegas, NV 89102 • Bus. (702) 220-9382 • Fax (702) 220-9746

Mailing ♦ P.O. Box 5488 • Riverside, CA 92517 • Toll Free All Locations (800) 701-6783

SoCal PUMP & WELL DRILLING, INC.

Licensed Contractors
License No. 510838

October 1, 2007

Highland Avenue Water Complex
955 Parkford Drive
Redlands, CA 92373

Reference: Airport #2 Replacement Motor
Attention: Jerry Zysek

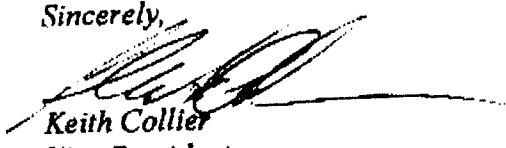
*Per your request, drive out; remove discharge head and head shaft.
Machine new 10-foot long Stainless Steel head shaft and install.

Total Amount \$3,395.00

These prices are firm for thirty days, after such time it may be subject to review and/or possible change. This price does include applicable sales taxes.

If you should require further information, please contact our office. Thank you for choosing SoCal Pump & Well Drilling, Inc., a full service pump, electrical, fabrication and water well drilling company.

Sincerely,



Keith Collier

Vice President

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Exhibit "B"

WORKERS' COMPENSATION INSURANCE CERTIFICATION

Contract No. _____

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 contract. (Labor Code §1861).

11-5-07
Date

SoCal Pump & Well Drilling Inc.
Name of Contractor

By: [Signature]
Signature of Authorized Agent

V.P.
Signatory's Title

510836
Contractor's License No.

11-5-07
Date