

AGREEMENT FOR PUBLIC WORKS CONSTRUCTION

This agreement for public works construction (“Agreement”) is dated _____ and is between COUNTY SANITATION DISTRICT NO. 14 OF LOS ANGELES COUNTY, a county sanitation district organized and existing under the County Sanitation District Act, California Health & Safety Code, Division 5, Part 3, Chapter 3, Sections 4700 et seq. (the “District”), and

STRONGHOLD ENGINEERING, INC.
(Corporation)

(the “Contractor”).

The District and the Contractor agree, as follows:

FIRST: The Contractor shall furnish all tools, equipment, labor, and material necessary to perform and complete, and to faithfully perform and complete, in good and workmanlike manner, the construction of

LANCASTER WATER RECLAMATION PLANT
POWER DISTRIBUTION SYSTEM MODIFICATIONS

(the “Work”), all in accordance with the Plans (Drawing No. 14-G-0089), the Special Provisions, and the Standard Specifications for Public Works Construction, 2018 Edition, complete with the District’s Amendments to the Standard Specifications, 2018 Edition, which are on file in the Office of the Chief Engineer of the District at 1955 Workman Mill Road, Whittier, California, 90601 (the “Contract Documents”). The Contract Documents and the proposal of the Contractor, which is also on file in the Office of the Chief Engineer, are incorporated by reference and made a part of this Agreement.

SECOND: The Contractor shall furnish all necessary tools, equipment, labor, and materials and shall perform and complete the Work as required or indicated by the Contract Documents under the direction and to the satisfaction of the District’s Chief Engineer.

THIRD: The Contractor shall diligently prosecute the Work to ensure the completion of the Work within 400 working days of the date in the Notice to Proceed to be issued by the District’s Chief Engineer as provided in the Contract Documents.

FOURTH: Pursuant to applicable provisions of the California Labor Code, the Contractor shall pay all workers employed on the Work by the Contractor, or by any subcontractor doing or contracting to do any part of the Work, not less than the general prevailing rate of per diem wages, and not less than the general prevailing rate of per diem wages for legal holiday and overtime work, for each craft or type of worker needed to perform the Work, as ascertained by the Director of the Department of Industrial Relations. In the event of non-compliance, the Contractor will be subject to the penalties provided in Labor Code Section 1775. No contractor or subcontractor may be listed on a bid proposal or awarded a contract or subcontract for this project unless it is registered with the Department of Industrial Relations and pays the required registration fee pursuant to Labor Code Section 1725.5. This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. The Contractor shall keep and certify an accurate payroll record in accordance with the provisions of Labor Code Section 1776. The Contractor shall make its payroll record available for inspection in accordance with California Labor Code Section 1776, and shall be subject to the penalties provided in that Section in the event of noncompliance. The District may withhold any penalties assessed against the Contractor from progress payments then due.

A copy of the listing of general prevailing wage rates may be obtained from the State of California Department of Industrial Relations, Director's Office of Policy, Research and Legislation, Prevailing Wage Unit, at (415) 703-4774 or by visiting their web site at "www.dir.ca.gov".

As provided in Labor Code Section 1810, eight hours constitutes a legal day's work.

FIFTH: The District is authorized to withhold a portion of the amounts due Contractor as retention pending completion of the Work. At the request and expense of the Contractor, securities equivalent to amounts withheld as retention may be deposited with the District, or with a state or federally chartered bank as an escrow agent, who shall deliver the retention or retained securities to the Contractor upon satisfactory completion of the Work. This option provided to Contractor is currently provided for in California Public Contract Code Section 22300. Should that section cease to be effective, the Contractor will not have this option as to any progress payment paid or payable after the date the section ceases to be effective. Securities eligible for deposit under California Public Contract Code Section 22300 may only include those listed in Section 16430 of the Government Code or bank or savings and loan certificates of deposit. The Contractor shall be the beneficial owner of any security substituted for monies withheld and shall receive any interest earned on the deposited amounts.

SIXTH: The Contractor shall comply with Section 1777.5 of the Labor Code. Responsibility for compliance with this Section for all apprenticeable occupations shall be fixed with the Contractor.

SEVENTH: In consideration of the full and satisfactory performance of this Agreement, the District shall pay the Contractor, and the Contractor shall accept in full and final payment for the Work, the following prices for the different classes or units of work specified, namely:

Item 1 – For the Construction of Lancaster Water Reclamation Plant Power Distribution System Modifications, complete as shown and specified in the Contract Documents, the lump sum of \$6,172,029.00.

Each party is signing this Agreement on the date stated opposite that party's signature.

COUNTY SANITATION DISTRICT NO. 14 OF
LOS ANGELES COUNTY

DATED: _____

By: _____
Chairperson

ATTEST:

By: _____
Secretary to the Board

APPROVED AS TO FORM
LEWIS BRISBOIS BISGAARD & SMITH LLP

BONDS AND INSURANCE APPROVED:

By: _____
District Counsel

By: _____
Secretary to the Board

STRONGHOLD ENGINEERING, INC.

DATED: _____

By: _____
Contractor

BOND FOR FAITHFUL PERFORMANCE

KNOW ALL MEN BY THESE PRESENTS:

That we, STRONGHOLD ENGINEERING, INC.
(Corporation)

as Principal, and (Name)
(Address)

as Surety, jointly and severally, and on behalf of our heirs, executors, administrators, successors and assigns, shall pay to COUNTY SANITATION DISTRICT NO. 14 OF LOS ANGELES COUNTY (the "District") the sum of SIX MILLION ONE HUNDRED SEVENTY-TWO THOUSAND TWENTY-NINE DOLLARS AND NO CENTS - (\$6,172,029.00) -.

The consideration for this obligation is the District's award of the attached contract to Principal for the construction of

**LANCASTER WATER RECLAMATION PLANT
POWER DISTRIBUTION SYSTEM MODIFICATIONS**

("Work"). The Principal is required to give this bond upon execution of the contract.

If the Principal fully performs all of the Work in accordance with all of the requirements of the contract and in the manner and at the times specified in the contract, then the Principal's and Surety's obligation under this bond shall be null and void, otherwise it shall be and remain in full force and effect.

Changes or alterations in the Work made pursuant to the terms of the contract will not in any way release either the Principal or Surety, nor shall any extensions of time granted under the provisions of the contract, release either the Principal or Surety. Notice of any changes or alterations or extensions of the contract is hereby waived by the Surety.

If changes or alterations are made in the contract or the Work that alter the general character of the Work, or that increase the total amount to be paid to the Contractor by more than twenty-five percent (25%), the District or Principal shall first obtain the written consent of the Surety.

The Principal and Surety are signing this bond for faithful performance on _____.

STRONGHOLD ENGINEERING, INC.
Principal

By: _____

Surety

By: _____

Secretary to the Board of Directors of the District

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS:

That we, STRONGHOLD ENGINEERING, INC.
(Corporation)

as Principal, and (Name)
(Address)

as Surety, jointly and severally, and on behalf of our heirs, executors, administrators, successors and assigns, shall pay to COUNTY SANITATION DISTRICT NO. 14 OF LOS ANGELES COUNTY (the "District") the sum of SIX MILLION ONE HUNDRED SEVENTY-TWO THOUSAND TWENTY-NINE DOLLARS AND NO CENTS - (\$6,172,029.00) -.

This bond is in accordance with Section 9554 of the Civil Code of the State of California and is not less than one hundred percent (100%) of the total amount payable by the terms of the contract.

The consideration for this obligation is the District's award of the attached contract for the construction of

**LANCASTER WATER RECLAMATION PLANT
POWER DISTRIBUTION SYSTEM MODIFICATIONS**

("Work"). The Principal is required to give this bond to the District to secure the claims referred to in Chapter 5 (commencing with Section 9550) of Title 3, Part 6 of Division 4 of the Civil Code of the State of California in connection with the Work.

If the Principal or its subcontractors fail to pay for any materials, provisions, provender, or other supplies, used in, upon, for, or about the performance of the Work, or for any Work or labor done, or for amounts due under the Unemployment Insurance Act with respect to such Work or labor, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the Contractor and his subcontractors pursuant to Section 13020 of the Unemployment Insurance Code, the Surety shall pay the same in an amount not exceeding the sum of SIX MILLION ONE HUNDRED SEVENTY-TWO THOUSAND TWENTY-NINE DOLLARS AND NO CENTS - (\$6,172,029.00) - and also, in case suit is brought upon this bond, shall pay, in addition to that amount, reasonable costs, expenses and fees, including reasonable attorney's fees, incurred by the District 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 rendered in any such suit.

Changes or alterations in the Work that may be made pursuant to the terms of the contract will not in any way release either the Principal or Surety, nor will any extensions of time granted under the provisions of the contract release either the Principal or Surety. Notice of any changes or alterations or extensions of the contract is hereby waived by the Surety.

This bond will inure to the benefit of any and all persons, companies, or corporations entitled to file claims under Title 3 (commencing with Section 9100) of Part 6 of Division 4 of the Civil Code so as to give a right of action to them or their assigns in any suit brought upon this bond.

The Principal and Surety are signing this payment bond on _____.

STRONGHOLD ENGINEERING, INC.
Principal

By: _____

Surety

By: _____

Secretary to the Board of Directors of the District