

AGREEMENT

THIS AGREEMENT is between Lake County Special Districts, (hereinafter called OWNER) and Terracon Constructors, Inc. (hereinafter called CONTRACTOR).

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

1. WORK.

1.1 CONTRACTOR shall complete Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

Project Description

The project includes the following work on Oak Street and Live Oak Drive between Highway 29 to the south and Main Street to the north: replace and abandon in-place the existing 4" steel water main on Oak Street, the 8" steel water main within Live Oak Drive, and a portion of 8" asbestos cement pipe within Live Oak Drive; upgrading the abandoned water main infrastructure with approximately 781 linear feet of new 8" PVC C-900, 75 linear feet of 6" PVC C-900, including but not limited to installation of six 8" gate valves, three 6" gate valves, four tie-in's, two fire hydrants, fifteen 1" water services utilizing existing meymeters, and one 1" dual water service.

The existing water lines shall be kept in operation until the new water line, new fire hydrants and new water services are completed. The switch to the new system shall be made with limited interruption of water services to the existing customers.

The new water lines shall be disinfected and pressure tested.

2. ENGINEER.

2.1 Special Districts Administration is hereinafter called ENGINEER and is to act as OWNER's representative, assume duties and responsibilities, and have the rights and authority assigned to ENGINEER in the Contract Documents in connection with completion of the Work in accordance with the Contract Documents.

3. CONTRACT TIMES AND LIQUIDATED DAMAGES.

3.1 Contract Times:

3.1.1 CONTRACTOR will achieve Substantial Completion within 60 working days from the date when the Contract Times commence to run as provided in paragraph 2.03 of the General Conditions, and Work will be

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completed and ready for final payment and acceptance in accordance with paragraph 14.07 of the General Conditions within 60 working days from the date when the Contract Times commence to run.

3.2 Liquidated Damages:

3.2.1 OWNER and CONTRACTOR recognize that time is of the essence of this Agreement and that OWNER will suffer financial loss if the Work is not completed within the times specified in paragraph Contract Times above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. OWNER and CONTRACTOR also recognize the delays, expense, and difficulties involved in proving in a legal or other dispute resolution proceeding the actual loss suffered by OWNER if the Work is not completed on time. Accordingly, instead of requiring any such proof, OWNER and CONTRACTOR agree that as liquidated damages for delay (but not as a penalty) CONTRACTOR shall pay OWNER Three thousand six hundred dollars (**\$3,600**) for each calendar day that expires after the time specified in paragraph Contract Times above, for Substantial Completion until the Work is substantially complete.

3.2.2 After Substantial Completion, if CONTRACTOR neglects, refuses, or fails to complete the remaining Work within the Contract Times or any proper OWNER-granted extension thereof, CONTRACTOR shall pay OWNER Three thousand six hundred dollars (\$3,600) for each calendar day that expires after the time specified in paragraph Contract Times above for completion and readiness for final payment.

3.2.3 OWNER shall recover such liquidated damages by deducting the amount owed from the final payment or any retention held by OWNER.

3.2.4 Upon execution of this Agreement the OWNER and the CONTRACTOR agree that the liquidated damages provision within this document represents reasonable compensation for the loss which would be incurred due to the non-compliance with the project completion schedule.

4. CONTRACT PRICE.

4.1 OWNER shall pay CONTRACTOR for completion of the Work and in accordance with the conformed Bid, which is included as an Exhibit to this Agreement, an amount equal to the sum of the amounts determined pursuant to the following:

4.1.1 TOTAL CONTRACT PRICE: Three hundred thirty eight thousand nine hundred sixty eight dollars and no cents.

\$ 338,968.00

5. RETENTION.

5.1 Prior to Final Completion, OWNER shall retain from progress payments 5 percent of the value of Work completed, and OWNER shall retain 5 percent of the value of stored materials and equipment. When Work has been 50 percent completed as determined by ENGINEER, and if the character and progress of the Work have been satisfactory to OWNER and ENGINEER, OWNER on

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recommendation of ENGINEER, may determine that as long as the character and progress of the Work remain satisfactory to them, there will be no additional retention on account of Work completed. Following Substantial Completion, OWNER shall retain from progress payments an amount, not to exceed 5 percent of the value of the Work complete, sufficient to ensure completion of the Work and to pay all Liens, claims, or other obligations of CONTRACTOR currently outstanding.

5.2 CONTRACTOR may elect to substitute securities of equivalent value in accordance with the requirements and procedures of Section 4590 of the California Government Code.

6. CONTRACTOR'S REPRESENTATIONS.

6.1 In order to induce OWNER to enter into this Agreement, CONTRACTOR's representations are as set forth as follows:

6.1.1 CONTRACTOR has familiarized itself with the nature and extent of the Contract Documents, Work, site, locality, general nature of work to be performed by OWNER or others at the site that relates to Work required by the Contract Documents and local conditions and federal, state, and local Laws and Regulations that in any manner may affect cost, progress, performance, or furnishing of Work.

6.1.2 Reserved

6.1.3 Reserved

6.1.4 CONTRACTOR has reviewed and checked information and data shown or indicated in the Contract Documents with respect to existing Underground Facilities at or contiguous to the site and has included costs as defined by paragraph 4.04 of the General Conditions.

6.1.5 CONTRACTOR has correlated information known to CONTRACTOR and results of such observations, familiarizations, examinations, investigations, explorations, tests, studies, and reports with Contract Documents.

6.1.6 CONTRACTOR has given ENGINEER written notice of conflicts, errors, ambiguities, or discrepancies that it has discovered in the Contract Documents and the written resolution thereof by ENGINEER is acceptable to CONTRACTOR, and the Contract Documents are generally sufficient to indicate and convey understanding of terms and conditions for performing and furnishing Work.

7. CONTRACT DOCUMENTS.

7.1 The Contract Documents which comprise the entire Agreement between OWNER and CONTRACTOR concerning Work are defined in paragraph 1.01 of the General Conditions.

8. WORKERS COMPENSATION INSURANCE.

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8.1 By signing this Agreement I, CONTRACTOR, hereby attest that I am aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for worker's 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.

9. INSURANCE.

9.1 Contractor shall procure and maintain Workers' Compensation Insurance for all of its employees.

9.2 Contractor shall procure and maintain Comprehensive Public Liability Insurance, both bodily injury and property damage, in an amount of not less than one million dollars (\$1,000,000) combined single limit coverage per occurrence, including but not limited to endorsements for the following coverage: personal injury, premises-operations, products and completed operations, blanket contractual, and independent contractor's liability.

9.3 Contractor shall procure and maintain Comprehensive Automobile Liability Insurance, both bodily injury and property damage, on owned, hired, leased and non-owned vehicles used in connection with Contractor's business in an amount of not less than one million dollars (\$1,000,000) combined single limit coverage per occurrence.

9.4 Contractor shall procure and maintain Professional Liability Insurance for the protection against claims arising out of the performance of services under this Agreement caused by errors, omissions or other acts for which Contractor is liable. Said insurance shall be written with limits of not less than one million dollars (\$1,000,000).

9.5 Contractor shall not commence work under this Agreement until it has obtained all the insurance required hereinabove and submitted to County certificates of insurance naming the County of Lake as additional insured. Contractor agrees to provide to County, at least 30 days prior to expiration date, a new certificate of insurance.

9.6 In case of any subcontract, Contractor shall require each subcontractor to provide all of the same coverage as detailed hereinabove. Subcontractors shall provide certificates of insurance naming the County of Lake as additional insured and shall submit new certificates of insurance at least 30 days prior to expiration date. Contractor shall not allow any subcontractor to commence work until the required insurances have been obtained.

9.7 For any claims related to the work performed under this Agreement, the Contractor's insurance coverage shall be primary insurance as to the County, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by County, its officers, officials, employees, agents or volunteers shall be in excess of the Contractor's insurance and shall not contribute with it.

9.8 The Commercial General Liability and Automobile Liability Insurance must each contain, or be endorsed to contain, the following provision:

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The County, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds and shall be added in the form of an endorsement to Contractor's insurance on Form CG 20 10 11 85. Contractor shall not commence work under this Agreement until Contractor has had delivered to County the Additional Insured Endorsements required herein.

Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under subdivision (b) of California Civil Code Section 2782.

9.9 Insurance coverage required of Contractor under this Agreement shall be placed with insurers with a current A.M. Best rating of no less than A: VII.

Insurance coverage in the minimum amounts set forth herein shall not be construed to relieve the Contractor for liability in excess of such coverage, nor shall it preclude County from taking other action as is available to it under any other provision of this Agreement or applicable law. Failure of County to enforce in a timely manner any of the provisions of this section shall not act as a waiver to enforcement of any of these provisions at a later date.

9.10 Any failure of Contractor to maintain the insurance required by this section, or to comply with any of the requirements of this section, shall constitute a material breach of the entire Agreement.

10. INDEMNIFICATION AND HOLD HARMLESS.

10.1 Each party shall indemnify and hold the other harmless against all actions, claims, demands, and liabilities and against all losses, damage, cost, expenses, and attorney's fees, arising directly or indirectly out of an actual or alleged injury to a person or property in the same proportion that its own acts and/or omissions are attributed to said claim, demand, liability, loss, damage, cost, expenses, and/or attorney's fees. This provision shall not extend to any claim, demand, liability, loss, damage, cost, expenses, and/or attorney's fees covered by the insurance of either party.

11. MISCELLANEOUS.

11.1 No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically but without limitation monies that may become due and monies that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

11.2 OWNER and CONTRACTOR each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners,

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successors, assigns, and legal representatives in respect of all covenants, agreements, and obligations contained in the Contract Documents.

IN WITNESS WHEREOF, OWNER and CONTRACTOR have signed this Agreement in triplicate. One counterpoint each has been delivered to OWNER, CONTRACTOR, AND ENGINEER. All portions of the Contract Documents have been signed or identified by OWNER and CONTRACTOR.

OWNER:

CONTRACTOR:

Lake County Special Districts

Terracon Constructors, Inc.

By _____

By _____

Date _____

Date _____

Address for giving notices

Address for giving notices

(If OWNER is a public body, attach evidence of authority to sign and resolution of other documents authorizing execution of Agreement.)

License No. _____

Agent for service of process: _____

(If CONTRACTOR is a corporation, attach evidence of authority to sign.)

APPROVED AS TO FORM:
LLOYD GUINTIVANO
County Counsel

By: 
Lloyd Guintivano (Jan 16, 2026 11:59:12 PST)

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Agreement - Live Oak Dr 2026 - TerraCon

Final Audit Report

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"Agreement - Live Oak Dr 2026 - TerraCon" History

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