

AGENDA: MAY 5, 1998

DEPARTMENT OF
PUBLIC WORKS



COUNTY OF SANTA CRUZ

GOVERNMENTAL CENTER

JOHN A. FANTHAM
DIRECTOR OF PUBLIC WORKS

701 OCEAN STREET, SANTA CRUZ, CALIFORNIA 950604070

(408) 454-2160

FAX (408) 454-2385

April 27, 1998

SANTA CRUZ COUNTY BOARD OF SUPERVISORS

701 Ocean Street
Santa Cruz, California 95060

SUBJECT: CONTRACT FOR LANDFILL GAS WELL DRILLING

Members of the Board:

Over the past decade, Department of Public Works Solid Waste Division has had landfill gas collection and treatment systems at both County owned landfills. While construction of the gas system is complete at the closed Ben Lomond Landfill, construction of landfill gas collection wells continue at the Buena Vista Landfill as this site expands and fills up. The construction of gas collection wells involves drilling vertical collection holes through the garbage, installing collection piping, and backfilling the wells with granular material. These wells are then connected to the piping that brings the gas to the flaring system.


Due to the ongoing landfill operations, as well as regulatory gas migration requirements, the Department plans to install 17 additional gas collection wells this spring. These wells will complement the existing 42 collection wells. In previous years, these wells have been constructed primarily by turn-key construction through our consultant engineering firm. By assisting in previous construction efforts, landfill staff has gained the experience and expertise required to construct these wells in-house and intends to contract directly with the drilling company. All other labor will be provided by County staff, and all materials are being procured from suppliers directly, saving the County considerable costs associated with contractor markup.

Three firms that specialize in drilling in landfills were given the opportunity to provide pricing for this project. Mahaffey Companies of Stockton was the lowest cost provider of these services. An agreement with Mahaffey Companies for an amount of \$12,937.50 is attached for your consideration.

It is therefore recommended that the Board of Supervisors take the following action:

1. Approve the agreement for landfill drilling services with Mahaffey Companies in the amount of \$12,937.50.
2. Authorize the Director of Public Works to sign the agreement on behalf of the County.
3. Direct the Clerk of the Board to return the executed agreement to Public Works for further processing.

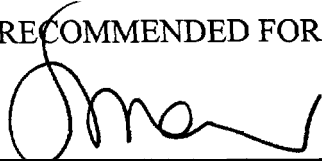
Yours truly,


JOHN A. FANTHAM
Director of Public Works

BPK:mg

Attachments

RECOMMENDED FOR APPROVAL:



County Administrative Officer

copy to: Public Works

COUNTY OF SANTA CRUZ
REQUEST FOR APPROVAL OF AGREEMENT

0000231

TO: Board of Supervisors
County Administrative Officer
County Counsel
Auditor-Controller

FROM:

PUBLIC WORKS

(Dept.)

(Signature)

4-22-98

(Date)

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of the same.

1. Said agreement is between the COUNTY OF SANTA CRUZ (Agency)
MAHAFFEY COMPANIES
and, 2229 STEWART STREET, STOCKTON, CA 95205 (Name & Address)

2. The agreement will provide EQUIPMENT AND OPERATORS TO DRILL LANDFILL GAS WELLS

3. The agreement is needed. BECAUSE THE WORK CAN BE HANDLED MOST EXPEDITIOUSLY BY CONTRACT

4. Period of the agreement is from BOARD APPROVAL to COMPLETION

5. Anticipated cost is \$ 12,937.50 (Fixed amount; Monthly rate; Not to exceed)

6. Remarks: CONTRACT \$12,937.50; 7% OVERHEAD \$905.62; TOTAL \$13,843.12

7. Appropriations are budgeted in 931419-3590-P00136 (625115) (Index#) 3 5 9 0 (Subobject)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACH COMPLETED FORM AUD-74

Appropriations are available and have been encumbered.
are not will be

Contract No. 71626

Date 4/22/98

GARY A. KNUTSON, Auditor - Controller

By India Ward

Deputy

Proposal reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize the DIRECTOR OF PUBLIC WORKS to execute the same on behalf of the COUNTY OF SANTA CRUZ

(Agency).

County Administrative Officer

Remarks:

(Analyst)

By Peter C. ...

Date 4/28/98

Agreement approved as to form. Date _____

BPK:mg

Distribution:

Bd. of Supv. - White
Auditor-Controller - Blue
County Counsel - Green
Co. Admin. Officer - Canary
Auditor-Controller - Pink
Originating Dept. - Goldenrod

*To Orig. Dept. if rejected.

State of California)
County of Santa Cruz) ss

I _____ ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz,
State of California, do hereby certify that the foregoing request for approval of agreement was approved by
said Board of Supervisors as recommended by the County Administrative Officer by an order duly entered
in the minutes of said Board on _____

By _____

County Administrative Officer
Deputy Clerk

INDEPENDENT CONTRACTOR AGREEMENT

THIS CONTRACT is entered into this 5th day of, May, 1998, by and between the COUNTY OF SANTA CRUZ, hereinafter called COUNTY, and THE MAHAFFEY COMPANIES hereinafter called CONTRACTOR. The parties agree as follows:

1. DUTIES. CONTRACTOR agrees to exercise special skill to accomplish the following result: drilling landfill gas extraction wells.

2. COMPENSATION. In consideration for CONTRACTOR accomplishing said result, COUNTY agrees to pay CONTRACTOR as follows: COMPLETE AN ESTIMATED 915 VERTICAL FEET OF LANDFILL GAS WELL BORINGS FOR \$12.50 PER VERTICAL FOOT FOR A TOTAL OF \$11,437.50. ADDITIONALLY, \$1,500.00 WILL BE DESIGNATED FOR EXTRA WORK, PAYABLE AT EXTRA WORK RATES FOR A CONTRACT TOTAL OF \$12,937.50. (SEE ATTACHMENT 1 FOR EXTRA WORK RATES AND TERMS.) THE MAHAFFEY COMPANIES SHALL STOP DRILLING, REGARDLESS OF DRILLED FOOTAGE, WHEN AMOUNT DUE THE MAHAFFEY COMPANIES TOTALS \$12,937.50 INCLUDING DEMOBILIZATION COST.

3. TERM. The term of this contract shall be: FROM BOARD APPROVAL TO COMPLETION, or amount due the Mahaffey Companies totals \$12,937.50.

4. EARLY TERMINATION. Either party hereto may terminate this contract at any time by giving 30 days written notice to the other party.

5. INDEMNIFICATION FOR DAMAGES. TAXES AND CONTRIBUTIONS. CONTRACTOR shall exonerate, indemnify, defend, and hold harmless COUNTY (which for the purpose of paragraphs 5 and 6 shall include, without limitation, its officers, agents, employees and volunteers) from and against:

A. To the proportionate extent that any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which COUNTY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with the CONTRACTOR'S performance under the terms of this Agreement, excepting any liability arising out of the negligence of the COUNTY. Such indemnification includes any damage to the person(s), or property(ies) of CONTRACTOR and third persons.

B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to CONTRACTOR and CONTRACTOR'S officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

6. INSURANCE. CONTRACTOR, at its sole cost and expense, for the full term

compliance with all of the following insurance coverage(s) and requirements. Such insurance coverage shall be primary coverage as respects COUNTY and any insurance or self-insurance maintained by County shall be excess of CONTRACTOR'S insurance coverage and shall not contribute to it.

If CONTRACTOR utilizes one or more subcontractors in the performance of this Agreement, CONTRACTOR shall obtain and maintain Independent Contractor's Insurance as to each subcontractor or otherwise provide evidence of insurance coverage for each subcontractor equivalent to that required of CONTRACTOR in this Agreement, unless CONTRACTOR and COUNTY both initial here ____/____.

A. Types of Insurance and Minimum Limits

(1) Worker's Compensation in the minimum statutorily required coverage amounts. This insurance coverage shall not be required if the CONTRACTOR has no employees and certifies to this fact by initialing here ____.

(2) Automobile Liability Insurance for each of CONTRACTOR's vehicles used in the performance of this Agreement, including owned, non-owned (e.g. owned by CONTRACTOR's employees), leased or hired vehicles, in the minimum amount of \$500,000 combined single limit per occurrence for bodily injury and property damage. This insurance coverage shall not be required if vehicle use by CONTRACTOR is not a material part of performance of this Agreement and CONTRACTOR and COUNTY both certify to this fact by initialing here ____/____.

(3) Comprehensive or Commercial General Liability Insurance coverage in the minimum amount of \$1 ,000,000 combined single limit, including coverage for: (a) bodily injury, (b) personal injury, (c) broad-form property damage, (d) contractual liability, and (e) cross-liability.

(4) Professional Liability Insurance in the minimum amount of \$1 ,000,000.OO combined single limit, if, and only if, this Subparagraph is initialed by CONTRACTOR and COUNTY ____/____.

B. Other Insurance Provisions

(1) If any insurance coverage required in this Agreement is provided on a "Claims Made" rather than "Occurrence" form, CONTRACTOR agrees to maintain the required coverage for a period of three (3) years after the expiration of this Agreement (hereinafter "post agreement coverage") and any extensions thereof. CONTRACTOR may maintain the required post agreement coverage by renewal or purchase of prior acts or tail coverage. This provision is contingent upon post agreement coverage being both available and reasonably affordable in relation to the coverage provided during the term of this Agreement. For purposes of interpreting this requirement, a cost not exceeding 100% of the last annual policy premium during the term of this Agreement in order to purchase prior acts or tail

coverage for post agreement coverage shall be deemed to be reasonable.

(2) All required Automobile and Comprehensive or Commercial General Liability Insurance shall be endorsed to contain the following clause:

“The County of Santa Cruz, its officials, employees, agents and volunteers are added as an additional insured as respects ‘the operations and activities of, or on behalf of, the named insured performed under Agreement with the County of Santa Cruz.’”

(3) All required insurance policies shall be endorsed to contain the following clause:

“This insurance shall not be canceled until after thirty (30) days prior written notice has been given to: (NAME TO WHOM THE CERTIFICATE SHOULD BE DELIVERED TO).”

(4) CONTRACTOR agrees to provide its insurance broker(s) with a full copy of these insurance provisions and provide COUNTY on or before the effective date of this Agreement with Certificates of Insurance for all required coverages. All Certificates of Insurance shall be delivered or sent to:

7. EQUAL EMPLOYMENT OPPORTUNITY. During and in relation to the performance of this Agreement, CONTRACTOR agrees as follows:

A. The CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, physical or mental disability, medical condition (cancer related), marital status, sex, sexual orientation, age (over 40), veteran status or any other non-merit factor unrelated to job duties. Such action shall include, but not be limited to the following: recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training (including apprenticeship), employment, upgrading, demotion, transfer. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause.

B. If this Agreement provides compensation in excess of \$50,000 to CONTRACTOR and if CONTRACTOR employs fifteen (15) or more employees, the following requirements shall apply:

(1) The CONTRACTOR shall, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, ancestry, physical or mental disability, medical condition (cancer related), marital status, sex, sexual orientation, age (over 40), veteran status, or any other non-merit factor unrelated to job duties. In addition, the CONTRACTOR shall make a good faith effort to consider

Minority/Women/Disabled Owned Business Enterprises in CONTRACTOR's solicitation of goods and services. Definitions for Minority/Women/Disabled Business Enterprises are available from the COUNTY General Services Purchasing Division.

(2) The CONTRACTOR shall furnish COUNTY Affirmative Action Office information and reports in the prescribed reporting format (PER 4012) identifying the sex, race, physical or mental disability and job classification of its employees and the names, dates and methods of advertisement and direct solicitation efforts made to subcontract with Minority/Women/Disabled Business Enterprises.

(3) In the event of the CONTRACTOR'S non-compliance with the non-discrimination clauses of this Agreement or with any of the said rules, regulations, or orders said CONTRACTOR may be declared ineligible for further agreements with the COUNTY.

(4) The CONTRACTOR shall cause the foregoing provisions of this Subparagraph 7B. to be inserted in all subcontracts for any work covered under this Agreement by a subcontractor compensated more than \$50,000 and employing more than fifteen (15) employees, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

8. INDEPENDENT CONTRACTOR STATUS. CONTRACTOR and COUNTY have reviewed and considered the principal test and secondary factors below and agree that CONTRACTOR is an independent contractor and not an employee of COUNTY. CONTRACTOR is responsible for all insurance (workers compensation, unemployment, etc.) and all payroll related taxes. CONTRACTOR is not entitled to any employee benefits. COUNTY agrees that CONTRACTOR shall have the right to control the manner and means of accomplishing the result contracted for herein.

PRINCIPAL TEST: The CONTRACTOR rather than COUNTY has the right to control the manner and means of accomplishing the result contracted for. PER ATTACHMENT 1

SECONDARY FACTORS: (a) The extent of control which, by agreement, COUNTY may exercise over the details of the work is slight rather than substantial; (b) CONTRACTOR is engaged in a distinct occupation or business; (c) In the locality, the work to be done by CONTRACTOR is usually done by a specialist without supervision, rather than under the direction of an employer; (d) the skill required in the particular occupation is substantial rather than slight; (e) The CONTRACTOR rather than the COUNTY supplies the instrumentalities, tools and work place; (f) The length of time for which CONTRACTOR is engaged is of limited duration rather than indefinite; (g) The method of payment of CONTRACTOR is by the job rather than by the time; (h) The work is part of a special or permissive activity, program, or project, rather than part of the regular business of COUNTY; (i) CONTRACTOR and COUNTY believe they are creating an independent contractor

relationship rather than an employer-employee relationship; and (j) The COUNTY conducts public business.

It is recognized that it is not necessary that all secondary factors support creation of an independent contractor relationship, but rather that overall there are significant secondary factors which indicate that CONTRACTOR is an independent contractor.

By their signatures to this Agreement, each of the undersigned certifies that it is his or her considered judgment that the CONTRACTOR engaged under this Agreement is in fact an independent contractor.


9. CONTRACTOR represents that its operations are in compliance with applicable County planning, environmental and other laws or regulations.

10. CONTRACTOR is responsible to pay prevailing wages and maintain records as required by Labor Code Section 1770 and following.

11. NONASSIGNMENT. CONTRACTOR shall not assign this agreement without the prior written consent of the COUNTY.

12. RETENTION AND AUDIT OF RECORDS. CONTRACTOR shall retain records pertinent to, this Agreement for a period of not less than five (5) years after final payment under this Agreement or until a final audit report is accepted by COUNTY, whichever occurs first. CONTRACTOR hereby agrees to be subject to the examination and audit by the Santa Cruz County Auditor-Controller, the Auditor General of the State of California, or the designee of either for a period of five (5) years after final payment under this Agreement.

13. PRESENTATION OF CLAIMS. Presentation and processing of any or all claims arising out of or related to this Agreement shall be made in accordance with the provisions contained in Chapter 1.05 of the Santa Cruz County Code, which by this reference is incorporated herein.

 14. ATTACHMENTS. This Agreement includes the following attachments:
ATTACHMENT 1, "PROPOSAL." (The Mahaffey Companies) Four pages, in it's entirety as an Integral part of this contract agreement. It is expressly understood and agreed that in Attachment 1, any language that refers to "others", "General Contractors" and /or any other entity Exclusive of The Mahaffey Companies, shall be Read, Interpreted and otherwise referred to The County of Santa Cruz.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first above written.

COUNTY OF SANTA CRUZ

CONTRACTOR

By: _____
Director of Public Works

By: 
THE MAHAFFEY COMPANIES

Address: 1800 SOUTH ALAMEDA STREET
COMPTON, CA 90221

Telephone: (3 10) 668-2030

APPROVED AS TO FORM:

By: 
Chief Assistant County Counsel

DISTRIBUTION: Auditor-Controller
Contractor
Public Works

RPM:rw

MWDR



0000238

COMPANIES

Date: March 12.1998

To: County of Santa Cruz
701 Ocean Street
Room #410
Santa Cruz, California 95060

Attention: Brian Kennedy
Environmental Programs Coordinator

Re: Solid Waste Landfill
Santa Cruz Cnty., California

CONFORMATION
PROPOSAL

With faxed information provided by County Of Santa Cruz dated March 10.1998 and governed by the terms and conditions of this proposal, we propose to install the following: DRILL ONLY GAS EXTRACTION WELLS

17 EACH WELLS TOTAL	11 EACH X 40 FT.DEEP
24" DIAMETER MAX.	1 EACH X 50 FT.DEEP
TOTALING 915 LIN.FT.	2 EACH X 80 FT.DEEP
MAX.WELL DEPTH 90FT.	1 EACH X 85 FT.DEEP
	2 EACH X 90 FT.DEEP

Unit Price: \$12.50 Per Lin.Ft.

Estimated Total: \$11,437.50

The above unit price and estimated total shown specifically includes only the following work description:

- 1). Drilling with conventional earth augers for the installation of GAS EXTRACTION WELLS by others.
- 2). The furnishing and placing of all materials for well installation is excluded from this proposal. Hoist well casing furnished and coupled by others. All well casing is to be located and ready for hoisting within a 10ft.radius of each well location.
- 3). General contractor to accurately locate, expose, protect and clearly mark all utilities and existing conditions prior to the drilling of any GAS EXTRACTION WELL.
- 4). In the event any impenetrable obstructions including rock or water is encountered during the drilling of any well, all time in continuing with well drilling will be considered delay or obstruction time and will be chargeable at the rate of \$250.00 per hour. Payment for the abandonment of any well that is drilled short of the scheduled depth will be made at the above unit price and for the full length of the originally scheduled well depth.
- 5). General contractor to provide and maintain on a continuous basis, safe, firm, level, dry, unobstructed, 25ft.wide minimum access at and around each well location for all drilling and support equipment required or specified by THE MAHAFFEY COMPANIES to within a 4ft. maximum horizontal reach of the center of each well location. Access to include all overhead and other clearances for crawler mounted drilling equipment.

EXTRA WORK RATES

- 1). Delay and obstruction time will be charged at a rate of \$250.00 per hour per rig.
- 2). Unmanned standby days will be chargeable at the rate of \$800.00 per day per rig (when our equipment is required to remain on site but for which there is no work available within the normal sequence of operation).
- 3). This proposal is based on performing and completing the work in a continuous uninterrupted one rig operation, in the most efficient sequence. This proposal includes (ONE) single rig mobilization and demobilization. The price for each additional drilling and/or support equipment mobilization and demobilization will be \$5,500.00 per occurrence.
- 4). Extra work, unit prices, overtime and doubletime, as required by client, will be charged additional to the principal sum, including all union fringes, taxes, insurance, overhead and profit.

	STRAIGHT TIME	OVERTIME	DOUBLETIME
Superintendent	\$85.00 /man hr.	\$42.50 /man hr.	\$85.00 /man hr.
Foreman	\$80.00 /man hr.	\$40.00 /man hr.	\$80.00 /man hr.
Operating Engineer	\$75.00 /man hr.	\$37.50 /man hr.	\$75.00 /man hr.
Laborer	\$60.00 /man hr.	\$30.00 /man hr.	\$60.00 /man hr.
Ironworker	\$73.00 /man hr.	\$36.50 /man hr.	\$73.00 /man hr.
Carpenter	\$73.00 /man hr.	\$36.50 /man hr.	\$73.00 /man hr.
Pilebutt	\$73.00 /man hr.	\$36.50 /man hr.	\$73.00 /man hr.

- 5). Extra work not covered by the above rates will be involved at cost (direct and indirect) plus 20% and included in monthly progress estimates and reimbursed according to our terms of payment.
- 6). Any third party work and/or material handled by THE MAHAFFEY COMPANIES at the direction of client will be invoiced at our cost plus a 20% overhead and 10% profit mark-up.
- 7). Any equipment not previously described in this proposal which is used for extra work on a force account or non-unit price basis will be invoiced according to Nielsen Dataquest Rental Rate Blue Book.

We Respectfully Submit the Above Proposal
THE MAHAFFEY COMPANIES

Accepted For: _____

By: _____

Title: _____

Date: _____

By: BILL PARRISH

PHONE: 209 463 0676

FAX: 209 463 0678

0000240

PAGE 2-FOUNDATION TERMS OF PAYMENT:

Revision 12/23/96

90% of monthly progress payments shall be paid within 15 days of estimate date and full payment, including all retention, shall be made within 35 days of each demobilization and/or 5 day interruption of work (which ever is less). If payment or any portion thereof is delinquent, you agree to pay, in addition to any and all delinquent amounts, 2.0% per month or 24% annual rate as liquidated damages on the unpaid balance, the parties acknowledging that such charges are reasonable considering all the circumstances existing on the date of this agreement, including the relationship of the charges to the range of harm to The Mahaffey Companies that reasonably could be anticipated and the anticipation that proof of actual damages would be costly or inconvenient as a result of the failure to make payment when due. In the event that legal action must be instituted, contractor or client agrees to pay The Mahaffey Companies attorney fees and court costs incurred. The Mahaffey Companies' payments are not contingent upon payment to our client by others. Past due payments may be cause for cessation of our work.

TO BE FURNISHED BY OTHERS AT NO COST TO THE MAHAFFEY COMPANIES:

1. Access safe, suitable and timely for all personnel and for all equipment and material trucks moving under their own power without mats to all areas of work. Access includes but is not limited to furnishing of materials, acceptable ramps, benches and maintenance of same.
2. Removal, relocation or protection of any existing utilities, structures, sidewalks, curbs, gutters and/or landscaping either above or below ground, which may interfere with the installation of our work. Powerlines closer than legally permissible are to be removed or de-energized by others. When you request The Mahaffey Companies to commence work on the above referenced construction project, that request will constitute your representation to us that you have located all above or below ground utilities, structures, sidewalks, curbs, gutters and/or landscaping and that you have taken all necessary and appropriate action to ensure that the work to be performed by The Mahaffey Companies can be performed safely without any threat of injury or damage to persons or property.
3. All field engineering, transit end level work as required by The Mahaffey Companies in addition to center hubs, reinforced points and grade stakes for concrete and steel placement at each pier and/or pile location and maintenance of same.
4. All legal services necessary to hold The Mahaffey Companies harmless and defend The Mahaffey Companies in litigation arising out of or pertaining to discovering, encountering, handling, or exposing toxic or hazardous wastes as described by the United States Government.
5. The coordination of handling, disposal and/or removal of spoils (liquid or solid including but not limited to dirt, mud, rock, concrete, slurry, water, drilling fluid or any other by product) resulting from drill* and/or driving operations from rebar, pile caps, grade beams, footings, streets, access roads, alleys and/or jobsite and to be done on a continuous basis so as not to delay The Mahaffey companies. It is a condition of this bid and any subsequent contract based on this bid that the owner assumes all responsibility for the removal, handling and/or disposal of toxic or hazardous wastes including asbestos. The Mahaffey Companies assumes and will assume no responsibility for the removal, handling and/or disposal of such toxic or hazardous waste.
6. ITEM 6 - DELETED
7. Street cleaning.
8. All required on-site licenses, permits, as-built drawings, inspections, observations, monitoring, materials design, surveys, casements, laboratory or field testing, inspection reports, personal protection equipment, and/or Confined Space Entry requirements...
9. Placement of dowels, anchor bolts, keys or any formwork above or below existing grade, concrete curing or chipping, sandblasting, structural steel and/or pile extensions, protective coverings for shafts and/or rebar.
10. When reinforcing cages are to be hoisted by The Mahaffey Companies, the material is to be furnished and fabricated by others and delivered sufficiently dished and braced with welded rings to retain their shape during handling. Delivery of each cage is to be made to each shaft location within a 10 foot reach of The Mahaffey Companies equipment. Rebar cages will be placed a maximum of 5' above top of pile elevation or existing grade, whichever is lowest.
11. Sufficient on-site area shall be provided for The Mahaffey Companies to set up an office, store and/or fabricate materials.
12. Should it become necessary for The Mahaffey Companies to pump fluids from the shafts, a sump shall be provided within one hundred feet (100') of each shaft location. Should settling tanks or desilting basins be required, they are to be furnished and cleaned by others.
13. If the proposed shoring system is to be used as a form or is to be incorporated into the wall allowances should be made for soldier pile deflection and plumbness.
14. A batch for lagging installation will be provided and no more than a five foot vertical cut will be permissible unless other agreements are made in advance by all parties involved.
15. Construction water for the drilling operation as specified by The Mahaffey Companies, will be within one hundred feet (100') of each shaft location.
16. All items required to maintain a Level "D" working environment. Should you require work to be performed in an environment exceeding Level "D", all work will be charged in addition to the principal sum, at Extra Work Rates.

* (241

PAGE 3 GENERAL CONDITIONS-FOUNDATION

REVISION 12/23/96

1. Unless specified otherwise, only conventional earth auger tools will be used. Work items such as casing, rock chilling, coring, dewatering, hand-mining, hand-cleaning, shoring of bells, will be extra work charged in addition to the principal sum and/or unit prices. All extra work must be approved and signed for on a daily basis. The Mahaffey Companies reserves the right to stop work until any dispute over extra work is resolved.
2. All delays caused to The Mahaffey Companies through no fault of their own or the removal of any obstruction as defined by the International Association of Foundation Drilling Contractors and the U.S. Department of Transportation will be extra work and charged in addition to the principal sum and/or unit prices. Obstructions are defined as:
 "...any material which cannot be drilled with a conventional earth auger and/or underreaming tool and which requires the use of special rock augers, core barrels, air tools, blasting, and/or other methods of hand excavation. All earth seams, rock fragments, and voids included in this rock excavation area will be considered rock for the full volume of the shaft from initial contact with rock, for pay purposes."
 Determination of when drilling conditions necessitate the use of special rock augers, core barrels, air tools, blasting, and/or other methods of hand excavation shall be at the sole discretion of The Mahaffey Companies.
3. No extra work will be performed without a fully executed, approved change order acknowledging description of work, pricing and terms of payment.
4. This proposal is based on working standard 8 hour days, Monday through Friday, between the hours of 7am and 5pm. Should you require working hours other than those described they will be performed at applicable overtime rates. However, premium time is sometimes necessary to our operation; The Mahaffey Companies assumes responsibility for any premium time which is required to support our operation.
5. Drilled shafts must be accepted or rejected upon completion of excavation and prior to placement of concrete and/or steel. Allowing placement of materials constitutes final acceptance. Changes made after acceptance will be at extra cost.
6. Extra work and items of work specifically excluded but performed by The Mahaffey Companies, or delays resulting from interference or non-performance of others shall be invoiced at extra work rates and included in monthly progress estimates and reimbursed according to our terms of payment.
7. Backcharges to The Mahaffey Companies, will be accepted only if agreed to and signed for by an authorized representative of The Mahaffey Companies on a daily basis.
8. The Mahaffey Companies' standard insurance coverages are \$1,000,000.00 primary. Any coverages beyond these will be provided at our invoice cost plus 10% if available. A bond will be provided (if available) with the premium to be paid by others.
9. No liquidated damages will be assessed to The Mahaffey Companies without The Mahaffey Companies specifically agreeing to damages in writing.
10. Should The Mahaffey Companies' work be accelerated from the original schedule the acceleration will be subject to a surcharge in accordance with the Mechanical Contractors Association of America Bulletin 18A including addendum 1. Should The Mahaffey Companies' be delayed from the original schedule, The Mahaffey Companies will be entitled to extended home office overhead in accordance with the Eichleay decision (Armed Forces of the United States v. American Arbitration Association, 10 F.3d 1015, 1017 (CA-5, 1994) and 2000) and costs of traveling.
11. ITEM 11 -DELETED
12. ITEM 12 -DELETED
13. Any controversy arising out of or relating to this proposal or subcontract agreement or the construction of the project or regarding the performance or interpretation of this proposal or subcontract agreement shall be submitted to arbitration. Arbitration shall be had in accordance with the Construction Industry Rules of the American Arbitration Association which are in effect at the time of the arbitration and all proceedings held in Los Angeles County. The parties to the arbitration shall be entitled to such discovery as would be available to them in the Superior Court of the State of California. The arbitrator or arbitrators shall have all of the authority of the court incidental to such discovery, including authority to issue orders to produce documents or other materials and orders to appear and submit to deposition, and to impose appropriate sanctions, including awarding against a party for failure to comply with any order. Should any party refuse or neglect to appear or to participate in arbitration proceedings, the arbitrator is empowered to decide the controversy in accordance with whatever evidence is presented. The arbitrator is authorized to award any party or parties such sums as he shall deem proper for the time, expense, and trouble of arbitration, including arbitration fees and attorneys' fees. The arbitrator shall have the power, subject to confirmation by a court of competent jurisdiction if such confirmation is required, to order, by interlocutory award or otherwise, consolidation of proceedings, joinder of parties, issuance of Writs of Attachment, foreclosure of mechanics liens, enforcement of stop notices, and other provisional remedies, including temporary and permanent restraining orders and injunctions. Any monetary award shall take into account and include compensation for delayed payment, including a reasonable rate of interest and compensation for any decline in the value of money. This arbitration clause shall survive a rescission of this proposal or subcontract agreement. The decision of the arbitrator shall be final and binding and may be entered as a judgment in any court of competent jurisdiction. The arbitration award shall not be modified or set aside on appeal except as authorized by applicable law or for error of law.
14. Modifications to these conditions or exclusions must be initiated by an authorized representative of The Mahaffey Companies. Any item of work not specifically included is excluded from this proposal.
15. Any and all schedules pertaining to or relating to this subcontract shall be mutually agreed to in writing by an authorized representative of The Mahaffey Companies and the contractor. Such schedules shall not be amended, altered, modified, accelerated and/or adjusted unless mutually agreed to in writing by an authorized representative of The Mahaffey Companies and the contractor. However, should performance exceed such schedule no penalties or damages will be assessed.
16. All items not specifically included are excluded.

ACORD. CERTIFICATE OF INSURANCE**PRODUCER**

Andreini & Co License 0208825
300 Esplanade, Suite 100
Oxnard, CA 93030
(805) 981-9585 Fax (805) 981-0161

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY A TUDOR INSURANCE COMPANY/CRUMP
COMPANY B GOLDEN EAGLE INSURANCE CO.
COMPANY C GENERAL SECURITY I N E . COMPANY
COMPANY D CALIFORNIA COMPENSATION INS CO

INSURED

AMERICAN CAISSON, INC.
dba: THE MAHAFFEY COMPANIES
1800 SOUTH ALAMEDA STREET
COMPTON CA 90221

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE IS ISSUED. THE COVERAGE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY	GLO 0001430	12/17/97	05/26/99	GENERAL AGGREGATE \$ 2,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				PRODUCTS - COMPROP AGG \$ 1,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				PERSONAL & ADV INJURY \$ 1,000,000
	<input checked="" type="checkbox"/> OWNERS & CONTRACTOR'S PROCT				EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> XCU&CONTRACTL				FIRE DAMAGE (Any one fire) \$ 50,000
	<input checked="" type="checkbox"/> 5,000 DED				MED EXP (Any one person) \$ EXCLUDED
B	AUTOMOBILE LIABILITY	CCP 496467-000	05/28/97	05/28/98	COMBINED SINGLE LIMIT \$ 1,000,000
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE \$
	<input checked="" type="checkbox"/> HIRED AUTOS				
	<input checked="" type="checkbox"/> NON-OWNED AUTOS				
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY: \$
					EACH ACCIDENT \$
					AGGREGATE \$
C	EXCESS LIABILITY	UB62026	05/26/97	05/26/98	EACH OCCURRENCE \$2,000,000
	<input checked="" type="checkbox"/> UMBRELLA FORM				AGGREGATE \$2,000,000
	<input type="checkbox"/> OTHER THAN UMBRELLA FORM				SIN \$10,000
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	W981170199	01/01/98	01/01/99	<input checked="" type="checkbox"/> STATUTORY LIMITS
	<input type="checkbox"/> THE PROPRIETOR/PARTNER/EXECUTIVE OFFICERS ARE:				EACH ACCIDENT \$1,000,000
	<input checked="" type="checkbox"/> INCL				DISEASE - POLICY LIMIT \$1,000,000
	<input type="checkbox"/> EXCL				DISEASE - EACH EMPLOYEE \$1,000,000
E	(CONTRACTORS EQUIPMENT	QB8605827	05/26/97	05/26/98	LIMIT 3,604,042 DED/ALL RISK \$2,500

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

BROAD FORM PD INCLUDED. CERTIFICATE HOLDER IS NAMED AS ADDITIONAL INSURED PER CG 20 10 11 85 ATTACHED. FOR BUENA VISTA LANDFILL SANTA CRUZ COUNTY, CALIFORNIA
** 10 DAY NOTICE WILL APPLY FOR NON PAYMENT OF PREMIUM**

CERTIFICATE HOLDER

COUNTY
CITY OF SANTA CRUZ
701 OCEAN STREET
SANTA CRUZ CA 95065

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30* DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Maureen J. Prevost

ACORD 25-5 (9/93)

SACORD CORPORATION 1993

POLICY NUMBER: GLO 0001430
AMERICAN CAISSON, INC.
dba: THE MAHAFFEY COMPANIES

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY. (24 3

ADDITIONAL INSURED — OWNERS, LESSEES OR CONTRACTORS (FORM B)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART,

SCHEDULE

Name of Person or Organization: CITY OF SANTA CRUZ

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you.