

**Agreement for Construction
Mission Springs Water District
66575 Second Street
Desert Hot Springs, CA 92240
Telephone 760-329-6448 – FAX 760-329-2482**

For your protection, make sure that you read and understand all provisions before signing. The terms on pages 2 - 6 are incorporated in this document and will constitute a part of the agreement between the parties when signed.

TO: **Layne Christensen Company**
1717 Park Avenue
Redlands, CA 92373

DATE: December 21, 2020

PROJECT DIR#: 356173

PROJECT: **Well 26 Rehabilitation**

The undersigned Contractor offers to furnish the following:

All Work/Services per the attached Exhibit A – Scope of Work and in accordance with Exhibit B – Proposal provided by Layne Christensen Company, and per Exhibit C – Term, Early Termination & Notice

Contract price \$: Not to Exceed \$147,379.31

Term: **Six (6) months from the effective Agreement DATE above**

Instructions: Sign and return via email. Upon acceptance by Mission Springs Water District, a copy will be signed by its authorized representative(s) and promptly returned to you. Insert the names of your authorized representative(s) below.

Accepted:
Mission Springs Water District

Consultant:
Layne Christensen Company
(Business Name)

By: Arden Wallum
Title General Manager

By: Tom Hetzel
Title Account Manager

Other authorized representative(s):
Danny Friend
Director of Eng. and Ops.

Other authorized representative(s):

Bassam Alzamar
Field Operations Manager

Contractor or supplier (Contractor) agrees with the Mission Springs Water District (MSWD) that:

- a) **Indemnification:** To the fullest extent permitted by law, Contractor will immediately defend, indemnify and hold harmless MSWD, its directors, officers, employees, or authorized volunteers (collectively the District) from all claims and demands of all persons arising out of or in connection with this Contract or the performance of the work or the furnishing of materials; including but not limited to, claims by the Contractor or Contractor's employees for damages to persons or property except for the sole negligence or willful misconduct or active negligence of MSWD, its directors, officers, employees, or authorized volunteers. Contractor shall immediately defend upon the MSWD's tender, at Contractor's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against MSWD, its officials, officers, agents, employees and representatives, notwithstanding whether Contractor's liability is or can be established; Contractor's obligation to indemnify shall survive the termination or completion of this agreement for the full period of time allowed by law and shall not be restricted by the insurance requirements of this Contract or to insurance proceeds, if any received by MSWD, or its directors, officers, employees, or authorized volunteers. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of Contractor.
- b) Contractor shall not accept direction or orders from any person other than the General Manager or the person(s) whose name(s) is (are) inserted on Page 1 as "other authorized representatives."
- c) Payment, unless otherwise specified on Page 1, is to be (30) thirty days after acceptance and approval by the MSWD of Contractor's invoice.
- d) Permits required by governmental authorities will be obtained at Contractor's expense, and Contractor shall comply with local, state and federal regulations and statutes including the Cal/OSHA requirements.
- e) Any change in the scope of the work to be done, method of performance, nature of materials or price thereof, or to any other matter materially affecting the performance or nature of the work will not be paid for or accepted unless such change, addition or deletion is approved in advance, in writing by a supplemental agreement executed by the MSWD. Contractor's "authorized representative(s)" has (have) the authority to execute such written change for Contractor.

INSURANCE REQUIREMENTS

Workers' compensation Coverage: By his/her signature hereunder, Contractor certifies that he/she is aware of the provisions of Section 3700 of the California 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 he/she will comply with such provisions before commencing the performance of the work of this agreement. Contractor and sub-contractors will keep workers' compensation insurance for their employees in effect during all work covered by this agreement. The Contractor shall provide employer's liability insurance with limits of no less than \$1,000,000 each accident, \$1,000,000 disease policy limit, and \$1,000,000 disease each employee.

Commercial General Liability and Automobile Liability Insurance - The Contractor shall provide and maintain the following commercial general liability and automobile liability insurance before beginning any work:

Coverage - Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

1. Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001)
2. Insurance Services Office (ISO) Business Auto Coverage (Form CA 0001), covering Symbol 1 (any auto)

Limits - The Contractor shall maintain limits no less than the following:

1. General Liability – Two million dollars (\$2,000,000) per occurrence or the full per occurrence limits of the policies available, whichever is greater for bodily injury, personal injury and property damage and products & completed operations liability. If Commercial General Liability Insurance or other form with a general aggregate limit or products-completed operations aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (via ISO endorsement at least as broad as the ISO CG 2503, or ISO CG 2504, provided to MSWD) or the general aggregate limit and products-completed operations aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability - One million dollars (\$1,000,000) for bodily injury and property damage each accident limit.
3. Excess Liability - The limits of Insurance required in this agreement may be satisfied by a combination of primary and umbrella or excess Insurance. Any umbrella or excess Insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the MSWD (if agreed to in a written contract or agreement) before the MSWD's own primary or self-Insurance shall be called upon to protect it as a named insured.

Required Provisions - The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. MSWD, its directors, officers, employees, and authorized volunteers are to be given insured status at least as broad as ISO endorsement CG 2010 11 85; or both CG 20 10 10 01 and CG 20 37 04 13 (or the 20 10 04 13 (or earlier edition date) specifically naming all of the MSWD parties required in this agreement, or using language that states "as required by contract"). All Subcontractors hired by Contractor must also have the same forms or coverage at least as broad; as respects liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor; premises owned, occupied or used by the Contractor; and automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to MSWD, its directors, officers, employees, or authorized volunteers.
2. For any claims related to this project, the Contractor's insurance shall be primary insurance as respects MSWD, its directors, officers, employees, or authorized volunteers using the ISO CG 20 01 04 13 or coverage at least as broad. Any insurance, self-insurance, or other coverage maintained by the MSWD, its directors, officers, employees, or authorized volunteers shall not contribute to it.
3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to MSWD, its directors, officers, employees, or authorized volunteers.

4. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
5. Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the MSWD.

Such liability insurance shall indemnify the Contractor and his/her sub-contractors against loss from liability imposed by law upon, or assumed under contract by, the Contractor or his/her sub-contractors for damages on account of such bodily injury (including death), property damage, personal injury, completed operations, and products liability.

The automobile liability policy shall cover all owned, non-owned, and hired automobiles.

All of the insurance shall be provided on policy forms and through companies satisfactory to MSWD.

Deductibles and Self-Insured Retentions - Any deductible or self-insured retention must be declared to and approved by MSWD. At the option of MSWD, the insurer shall either reduce or eliminate such deductibles or self-insured retentions. Policies containing any self-insured retention (SIR) provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named or additional insureds, co-insurers, and/or insureds other than the First Named Insured.

Acceptability of Insurers - Insurance is to be placed with insurers having a current A.M. Best rating of no less than A-: VII or equivalent or as otherwise approved by MSWD.

Evidences of Insurance - Prior to execution of the agreement, the Contractor shall file with MSWD a certificate of insurance (Acord Form 25 or equivalent) signed by the insurer's representative evidencing the coverage required by this agreement. **Such evidence shall include 1.) attached additional insured endorsements with primary & non-contributory wording, 2.) Workers' Compensation waiver of subrogation, and 3.) a copy of the CGL declarations or endorsement page listing all policy endorsements, and confirmation that coverage includes or has been modified to include Required Provisions 1-5 above.** The MSWD reserves the right to obtain complete, certified copies of all required insurance policies, at any time. Contractor shall maintain the Insurance required by this agreement for a period of not less than 5 years following the termination or completion of this agreement. Contractor further waives all rights of subrogation under this agreement. Failure to continually satisfy the Insurance requirements is a material breach of contract.

If any of the required coverages expire during the term of this agreement, the Contractor shall deliver the renewal certificate(s) including the general liability additional insured endorsement to MSWD at least ten (10) days prior to the expiration date. Failure to comply with any of the Insurance requirements shall constitute a material breach of contract.

The Insurance requirements in this agreement do not in any way represent or imply that such coverage is sufficient to adequately cover the Contractor's obligations under this agreement. All Insurance or self-insurance coverage and limits applicable to a given loss or available to the named insured shall be available and applicable to the additional insured. The insurance obligations under this agreement are independent of and in addition to the defense and indemnity obligations contained elsewhere in this agreement and shall not in any way act to limit or restrict the defense or Indemnity or additional insured obligations of the Contractor or the Contractor's insurance carrier, and shall be for (1) the full extent of the Insurance or self-insurance coverages and limits carried by or available to the Contractor, or (2) the minimum Insurance coverage and amounts shown in this agreement; whichever is greater. The MSWD reserves the right to add such other parties as may be required in the future to the indemnity and additional insured requirements of this agreement.

GENERAL CONDITIONS

Laws, Regulations and Permits - The Contractor shall give all notices required by law and comply with all laws, ordinances, rules and regulations pertaining to the conduct of the work. The Contractor shall be liable for all violations of the law in connection with work furnished by the Contractor. If the Contractor observes that the drawings or specifications are at variance with any law or ordinance, rule or regulation, he/she shall promptly notify the MSWD authorized representative(s) in writing and any necessary changes shall be made by written instruction or change order. If the Contractor performs any work knowing it to be contrary to such laws, ordinances, rules or regulations and without giving notice to the MSWD authorized representative(s), the Contractor shall bear all costs arising there from.

Safety - The Contractor shall execute and maintain his/her work so as to avoid injury or damage to any person or property. The Contractor shall comply with the requirements of the specifications relating to safety measures applicable in particular operations or kinds of work.

In carrying out his/her work, the Contractor shall at all times exercise all necessary precautions for the safety, health and sanitation of employees appropriate to the nature of the work and the conditions under which the work is to be performed, and be in compliance with all applicable federal, state and local statutory and regulatory requirements including California Department of Industrial Relations (Cal/OSHA) regulations. In case of conflict in regulations, the most stringent shall apply. The Contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of the work covered by the contract. Safety precautions, as applicable, shall include but shall not be limited to: adequate life protection and lifesaving equipment; adequate illumination; instructions in accident prevention for all employees, such as the use of machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection, and other safety devices; equipment and wearing apparel as are necessary or lawfully required to prevent accidents, injuries, or illnesses; and adequate facilities for the proper inspection and maintenance of all safety measures.

It is a condition of this contract, and shall be made a condition of each subcontract which the contractor enters into pursuant to this contract, that the Contractor and any subcontractor shall not permit any employee, in performance of the contract, to work in surroundings or under conditions which are unsanitary, hazardous or dangerous to his/her health or safety, as determined under Cal/OSHA safety and health standards.

The Contractor shall be responsible for the safeguarding of all utilities. At least two working days before beginning work, the Contractor shall call the Underground Service Alert (USA) in order to determine the location of sub-structures. The Contractor shall immediately notify the MSWD and the utility owner if he/she disturbs, disconnects, or damages any utility.

In accordance with Section 6705 of the California Labor Code, the Contractor shall submit to the MSWD specific plans to show details of provisions for worker protection from caving ground during excavations of trenches of five feet or more in depth. The excavation/trench safety plan shall be submitted to and accepted by the MSWD prior to starting excavation. The trench safety plan shall have details showing the design of shoring, bracing, sloping or other provisions to be made for worker protection from the hazard of caving ground. If such a plan varies from the shoring system standards established by the Construction Safety Orders of the California Department of Industrial Relations (Cal/OSHA), the plan shall be prepared by a California registered civil or structural engineer. As part of the plan, a note shall be included stating that the registered civil or structural engineer certifies that the plan complies with the Cal/OSHA Construction Safety Orders, or that the registered civil or structural engineer certifies that the plan is not less effective than the shoring, bracing, sloping or other provisions of the Safety Orders. In no event shall the Contractor use a shoring, sloping, or protective system less effective than that required by said Construction Safety Orders.

Submission of this plan in no way relieves the Contractor of the requirement to maintain safety in all areas. If excavations or trench work requiring a Cal/OSHA permit are to be undertaken, the Contractor shall submit his/her permit with the excavation/trench work safety plan to the MSWD before work begins.

The names and telephone numbers of at least two medical doctors practicing in the vicinity and the telephone number of the local ambulance service shall be prominently displayed adjacent to telephones.

This work is subject to the State of California "Prevailing Wage Rates". This work is subject to the requirements of California Labor Code Section 1720 et seq. requiring the payment of prevailing wages, the training of apprentices and compliance with other applicable requirements. In accordance with provisions of Section 1773 of the Labor Code, the Director of the Department of Industrial Relations (DIR) has ascertained the general prevailing rate of wages and employer payments for health and welfare, pension, vacation, and similar purposes applicable to the particular craft, classification, or type of workers employed on the work.

Pursuant to SB 854, no contractor or subcontractor may work on a public works project unless registered with DIR for contracts awarded on/after April 1, 2015. General Contractors shall ensure all subcontractors executing work under the contract are DIR registered. All public works contractors and subcontractors to furnish electronic certified payroll records directly to the Labor Commissioner using the California Division of Labor Standards Enforcement's online portal.

EXHIBIT A

SCOPE OF WORK

Well 26 Rehabilitation

A. Services

Consultant shall perform wire brushing and bailing fill for one day. Perform a post video log to determine the condition of the casing. All fill removed will be placed on the ground at the site. Furnish and install a 16-inch mild steel liner consisting of 220 feet of blank casing and 180 feet of .060" fullflo louvered screen and gravel pack. The gravel pack will be consolidated by running a swab throughout the screened area. Perform the retrofitting of the well pad, electrical and discharge piping. This will include breaking out concrete from the existing pad, excavating, forming, extending the casing and access tube, installing a rebar cage and steel sole plate and pouring a new concrete well pad to achieve 18" above grade. A crane and welder will perform modifications to the existing discharge piping by extending it to meet the new discharge centerline height, new pipe support stands will be installed. Repair the pumping equipment per the recommendations found on the pump inspection report. This will include replacing the bowl assembly with new, matching the design of 600gpm at 480' tdh per the information provided. Once the repairs have been completed, mobilize a crew and perform installation, start up will then be performed.

EXHIBIT B



Office
1717 W. Park Ave.
Redlands, CA. 92373
909-390-2833
www.graniteconstruction.com

12/17/2020

Mission Springs Water District
Juan Hernandez
66575 Second Street
Desert Hot Springs, Calif 92240

RE: Well and Pump Repairs

Dear Juan Hernandez ,

We are pleased to present our project estimate for the referenced work to be provided at Well #26.

Perform wire brushing and bailing fill for 1 day. Perform a post video log to determine the condition of the casing. All fill removed will be placed on the ground at the site. Furnish and install a 16 inch mild steel liner consisting of 220 feet of blank casing and 180 feet of .060" full flo louvered screen and gravel pack. The gravel pack will be consolidated by running a swab throughout the screened area. Perform the retrofitting of the well pad, electrical and discharge piping. This will include breaking out concrete from the existing pad, excavating, forming, extending the casing and access tube, installing a rebar cage and steel sole plate and pouring a new concrete well pad to achieve 18" above grade. A crane and welder will perform modifications to the existing discharge piping by extending it to meet the new discharge centerline height, new pipe support stands will be installed. Repair the pumping equipment per the recommendations found on the pump inspection report. This will include replacing the bowl assembly with new, matching the design of 600gpm@480' tdh per the information provided. Once the repairs have been completed, mobilize a crew and perform installation. start up will then be performed.

The attached estimate is valid for 30 days and is subject to Layne Terms and Conditions.

Thank you for choosing Layne Christensen Company and giving us the opportunity to be your water resources solution provider.

Sincerely,

A handwritten signature in black ink that reads "Thomas A. Hetzel". The signature is written in a cursive, flowing style.

Tom Hetzel
Account Manager
909-747-8139



Office
1717 W. Park Ave.
Redlands, CA. 92373
909-390-2833
www.graniteconstruction.com

12/17/2020

Well Rehabilitation or Repair Notice:

Liability Notice:

Water well rehabilitation or well repair may require the use of strong chemical agents and/or mechanical techniques that impart higher than normal stresses on the well. This is necessary to effectively repair the well casing or disperse and distribute the chemicals to breakdown any mineral build up, bio-fouling or encrustation. Layne will use standard industry practices available to repair or rehabilitate the well; however, it is possible due to poor construction practices, poor construction materials, pre-existing conditions, etc. that damage may occur. Impairment is very unlikely, and rarely occurs, but should such events such as gas production, increased sand production, reduced capacity, casing damage, surface subsidence, water quality changes or complete well failure occur, Layne Christensen will not be held liable for any damage due to these repair or rehabilitation processes.

Thomas A Hetzel
Tom Hetzel
Account Manager
909-747-8139

TERMS AND CONDITIONS

LIABILITY OF CONTRACTOR: Contractor shall not be liable for any bodily injury, death, or injury to or destruction of tangible property except as the same may have been caused by the negligence of Contractor. In no event shall Contractor be liable for any delays or special, indirect, incidental or consequential damages. Purchaser agrees that the total limit of Contractor's liability (whether based on negligence, warranty, strict liability or otherwise) hereunder, shall not exceed the aggregate amount due Contractor for services rendered under this contract. All claims, including claims for negligence or any other cause whatsoever, shall be deemed waived unless made in writing and received by Contractor within one (1) year after Contractor's completion of work hereunder.

INSURANCE: Contractor shall provide workers' compensation insurance, public liability and property damage insurance covering its employees and operation. Purchaser, at its option, may maintain such insurance as will protect it against claims arising out of the work.

REIMBURSABLE COST: In addition to the hourly charge provided on the face of this contract, Purchaser will reimburse Contractor for travel and living expenses necessarily incurred by the Contractor in the performance of the work, minor incidental expenses such as overnight mail, telephone and petty cash expenditures necessarily incurred, cost of removal of all debris if so directed by Purchaser, sales, consumer, use and similar taxes required by law and the cost of permits and all licenses necessary for the execution of the work. The foregoing costs shall be billed at actual cost plus fifteen percent (15%) unless otherwise agreed upon.

PRICE ADJUSTMENT: Any cost estimates or time frames stated herein are subject to equitable adjustment in the event of differing or unforeseeable conditions, changes in applicable laws after the date of this contract, unforeseeable delays or difficulties caused by acts of God, Purchaser or any third parties. Prices of goods acquired by Contractor from others shall be adjusted to reflect Contractor's price in effect at time of shipment. The price of Contractor's goods will be adjusted to the price in effect at time of shipment in accordance with Contractor's current escalation policies or as specifically covered in this contract.

TERMS: Thirty (30) days net from date of invoice. For extended projects, Contractor shall submit invoices on a monthly basis for any and all work completed and materials or equipment provided during the previous month. Past due invoices shall be subject to a delinquency charge of one and one-half percent (1-1/2%) per month (eighteen percent (18%) per annum) unless a lower charge is required under applicable law, in which case the lower rate shall apply. Purchaser agrees to pay all collection fees, attorneys' fees and costs incurred in the collection of any past due amounts arising out of this contract. Contractor shall have the right to immediately terminate this contract without further liability if Purchaser fails to make timely payment or otherwise materially breaches this contract.

MATERIAL SHORTAGES AND COST INCREASES: If any portion of materials or equipment which Contractor is required to furnish becomes unavailable, either temporarily or permanently, through causes beyond the control and without the fault of Contractor, then in the case of temporary unavailability any completion time frames shall be extended for such period of time as Contractor shall be delayed by such above-described unavailability, and in the case of permanent unavailability Contractor shall be excused from the requirement of furnishing such materials or equipment. Purchaser agrees to pay Contractor any increase in cost between the cost of the materials or equipment which have become permanently unavailable and the cost of the closest substitute which is then reasonably available.

DELAYS: If Contractor is delayed at any time in the progress of work by labor disputes, fire, unusual delays in transportation, unavoidable casualties, weather, or any cause beyond Contractor's reasonable control, then any completion time frames shall be extended by a reasonable period of time, at least equal to the period of delay.

CHANGED CONDITIONS: The discovery of any hazardous waste, substances, pollutants, contaminants, underground obstructions or utilities on or in the job site which were not brought to the attention of Contractor prior to the date of this contract will constitute a materially different site condition entitling Contractor, at its sole discretion to immediately terminate this contract without further liability.

ESCALATION: This contract is made with the understanding that Contractor will be able to begin and continuously proceed with its work on or before the proposed start date on the reverse side hereof. In the event Contractor is unable to commence its work on or before said date because the project is not ready for Contractor's work, Contractor will charge Purchaser the amount of increase in Contractor's cost attributable to such delay, plus Contractor's normal overhead percentage.

GUARANTEE AND LIABILITY: Contractor warrants that its labor supplied hereunder shall be free from defect and shall conform to the standard of care in effect in its industry at the time of performance of such labor for a period of twelve (12) months after substantial completion of Contractor's work. Contractor agrees, to the extent it is permitted, to pass on any warranties provided by the manufacturers of materials and/or equipment furnished under this contract. Contractor itself provides no warranty, express, implied or otherwise, on any such materials or equipment. Contractor will not be responsible for: work done, material or equipment furnished or repairs or alterations made by others.

For any breach hereunder, Contractor shall be liable only for the value of the installation work or, if it wrongfully fails to install, then its liability is limited to the difference between the contract price herein, and the value of other similar installation work. If Contractor's breach damages any materials or equipment furnished hereunder, Contractor shall only be liable for the value of such materials or equipment. Under no circumstances will Contractor be liable for consequential, special or indirect damages, including without limitation, any crop loss or damage, damage to other equipment, structures or property, nor for any other similar or dissimilar damages or losses whether due to delay, failure to furnish or install, delay in installation, defective material or equipment, defective workmanship, defective installation, delay in replacing, nor for any cause or breach whatsoever. In any event, Contractor's total liability towards Purchaser for alleged faulty performance or nonperformance under this contract shall be limited to the total contract price. No materials, equipment or services contracted herein carries any guarantee not mentioned in this contract. **THE ABOVE WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE HEREBY DISCLAIMED.**

TITLE AND OWNERSHIP: In case of default on Purchaser's part, Contractor shall have the right to enter the premises upon which any material or equipment furnished herein have been installed and retake such goods not then paid for and pursue any further remedy provided by law, including recovery of attorneys' fees and any deficiency to the maximum extent and in the manner provided by law. Such materials and equipment shall retain their character as personal property of Contractor until payment in full is received by Contractor, regardless of their mode of attachment. Unless prior specific written instructions are received to the contrary, surplus and replaced materials and equipment resulting from repair or installation work shall become the property of Contractor.

DELIVERY: Shipment schedules and dates, expressed or implied, are contingent on normal conditions. Contractor will not be responsible for any delays in shipment or completion caused by factors beyond its control such as, but not limited to, suppliers' failures, accidents, work stoppages or operation of or changes in the law. Shipments will be made as promptly as Contractor's ability to obtain materials and/or equipment and scheduling will permit. No delay in shipments or variances from shipping schedule shall be cause of cancellation or any claim for damage. Any changes in layout or design requested after acceptance of this contract will be made at Purchaser's additional cost. Any such change and/or time taken to supply engineering data or to approve drawings will automatically extend shipping schedules. Equipment will be shipped "knocked down" to the extent Contractor considers necessary, with small parts stripped from equipment and crated. On and after delivery to the carrier for transportation to the Purchaser's site, Purchaser shall be responsible for all loss or damage to materials or equipment due to any cause, including but not limited to loss or damage resulting from casualty.

INDEMNIFICATION: Purchaser agrees to indemnify and hold Contractor, its directors, officers, stockholders, employees, agents and subcontractors, harmless from and against any and all claims, demands, causes of action (including third party claims, demands or causes of action for contribution or indemnification), liability and costs (including attorneys' fees and other costs of defense) asserted and/or filed by Purchaser or any third party(ies), including without limitation Purchaser's employees, and arising out of or as a result of: (i) the presence of Contractor or its subcontractors at the job site, (ii) the work performed by Contractor or its subcontractors, or (iii) any negligent act or omission of Purchaser, its employees, agents, consultants, other contractors or any person or entity under Purchaser's control, except to the extent that such claims, demands, causes of action, liabilities or costs are caused by the negligence of Contractor or its subcontractors.

INTERPRETATION: This contract shall be governed by and construed in accordance with the laws of the state of the job site location. If any term, provision or condition contained herein shall, to any extent, be invalid or unenforceable, pursuant to state law or otherwise, the remainder of the terms, provisions and conditions herein (or the application of such term, provision, or condition to persons or circumstances other than those in respect of which it is invalid or unenforceable) shall not be affected thereby, and each term, provision and condition of this contract shall be valid and enforceable to the fullest extent permitted by law.

ASSIGNMENT & SUBLETTING: Purchaser shall not have the right to transfer or assign its rights and/or obligations under this contract to any third party, related or unrelated, without the express written consent of Contractor. Contractor shall have the right to transfer, assign or sublet all or any portion of its rights or obligations hereunder, but such transfer, assignment or subletting shall not relieve Contractor from its full obligations to Purchaser unless such transfer, assignment or subletting is pursuant to the sale of Contractor, or the division of Contractor responsible for this contract, to a third party.

MISCELLANEOUS: The terms and conditions set forth herein constitute the entire understanding of the parties relating to the work to be performed, and materials and equipment to be provided, by Contractor for the Purchaser. All previous proposals, offers, and other communications relative to the provisions of the subject work, oral or written, are hereby superseded, except to the extent that they have been expressly incorporated herein. Any modifications or revisions of any provisions herein or any additional provisions contained in any purchase order, acknowledgment, or other form of the Purchaser are hereby expressly objected to by Contractor and shall not operate to modify this contract. This contract shall take effect upon acceptance and execution by both parties.

EXHIBIT C

Term, Early Termination & Notice

Well 26 Rehabilitation

A. Term of Agreement

This professional services agreement shall be effective upon approval by the parties thereof and shall expire upon (6) six months from the effective Agreement DATE therein. This contract also terminates and replaces any previous agreements between the Mission Springs Water District and Layne Christensen Company for Well 26 Rehabilitation in force prior to the effective date of this agreement.

B. Early Termination of Agreement

This agreement may be terminated at any time upon a thirty (30) day notice from either party, and without fault or claim for damages by either party.

C. Notice

All correspondence and Notices will be sent to the following addresses as noted below for Mission Springs Water District and Layne Christensen Company.

OWNER

Attn: Bassam Alzammar
Mission Springs Water District
66575 Second Street
Desert Hot Springs, CA 92240

CONSULTANT

Attn: Tom Hetzel
Layne Christensen Company
1717 Park Avenue
Redlands, CA 92373