

Hem # 17-3c

City of Carson City Agenda Report

Date Submitted: October 6, 2009

Agenda Date Requested: October 15, 2009

Time Requested: Consent
Labor Commissioner PWP # CC-2008-297

To: Mayor and Supervisors
From: Purchasing & Contracts

Subject Title: Action to determine that Humboldt Drilling and Pump Company, Inc. is the lowest responsive and responsible bidder pursuant to N.R.S. Chapter 338 and to award Contract No. 0809-085 Well 50 Drilling to Humboldt Drilling and Pump Company, Inc., for a bid amount of \$186,964.00 plus a contingency amount not to exceed \$18,700.00 to be funded from the Water Capital Project Production Wells Fund as provided in FY 2009/2010. (*Sandy Scott*)

Staff Summary: Carson City received sealed bids for the Well 50 Drilling Project. Project consists of drilling, construction, and development of a production well (Well 50) for the Carson City Public Works Department. The drilling site is located approximately 2,000 feet south-southwest of the main entrance to the State of Nevada Prison located off of Snyder Avenue and approximately 500 feet east of Bigelow Drive.

Type of Action Requested: (check one)

Resolution Ordinance
 Formal Action/Motion Other (Specify)

Does This Action Require A Business Impact Statement: Yes No

Recommended Board Action: I move to determine that Humboldt Drilling and Pump Company, Inc. is the lowest responsive and responsible bidder pursuant to N.R.S. Chapter 338 and to award Contract No. 0809-085 Well 50 Drilling to Humboldt Drilling and Pump Company, Inc., for a bid amount of \$186,964.00 plus a contingency amount not to exceed \$18,700.00 to be funded from the Water Capital Project Production Wells Fund as provided in FY 2009/2010. (*Sandy Scott*)

Explanation for Recommended Board Action: **NOTICE TO CONTRACTORS** were distributed on September 4, 2009 and the **NOTICE TO CONTRACTORS** was published in the Nevada Appeal on September 4, 2009.

The bids were opened at approximately 10:10 a.m. on September 9, 2009 at 201 North Carson Street, Carson City, Nevada 89701. Present during the bid opening were: Darrell Tweidt, Board Longyear Company; Michelle Strother, Humboldt Drilling and Pump Company, Inc.; and Sandy Scott, Purchasing and Contracts.

Bids were received from the following bidders. Please refer to the ***BID TABULATION*** for specifics.

Name of Bidder	Total Award Amount
Humbolt Drilling and Pump Co., Inc.,	\$186,964.00
Boart Longyear Company	\$273,668.00

Staff recommends award to Humbolt Drilling and Pump Company, Inc., as the lowest responsive and responsible bidder pursuant to N.R.S. Chapter 338.

Applicable Statute, Code, Policy, Rule or Regulation: N.R.S. Chapter 338 Public Works
Engineers Estimate: \$300,000.00

Project Budget: \$1,250,000.00

Fiscal Impact: Not to exceed \$205,664.00

Explanation of Impact: If approved the below referenced account could be decreased by \$205,664.00.

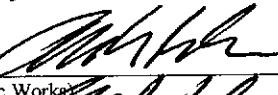
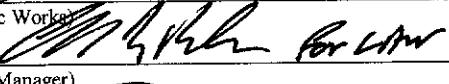
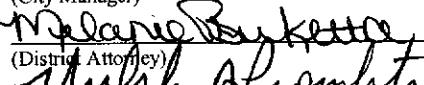
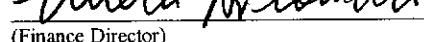
Funding Source: 520-3505-435-7857 Water Capital Project Production Wells Fund as provided in FY 2009/2010

Alternatives: Determine another bidder is the lowest and most responsible and responsive bidder pursuant to N.R.S. Chapter 338 or do not award contract.

Supporting Material: Contract No. 0910-085, Bid Tabulation Report, and Bid Response from Humbolt Drilling and Pump Co., Inc.

Prepared By: Sandy Scott, Purchasing and Contracts Coordinator

Reviewed By:


(Public Works)

(City Manager)

(District Attorney)

(Finance Director)

Date: 10-6-09

Date: 10-6-09

Date: 10-6-09

Date: 10-6-09

Board Action Taken:

Motion: _____ 1) _____ Aye/Nay

2) _____

(Vote Recorded By)

CONTRACT FOR SERVICES OF INDEPENDENT CONTRACTOR
0910-085
Well 50 Well Drilling Project

THIS CONTRACT made and entered into this 15th day of October, 2009, by and between the City and County of Carson City, a political subdivision of the State of Nevada, hereinafter referred to as the "OWNER", and Humbolt Drilling and Pump Company, Inc., hereinafter referred to as "CONTRACTOR".

WITNESSETH:

WHEREAS, the Purchasing and Contracts Coordinator for the City and County of Carson City is authorized pursuant to Nevada Revised Statutes 338 and Carson City Purchasing Resolution #1990-R71, to approve and accept this Contract as set forth in and by the following provisions; and

WHEREAS, it is deemed necessary that the services of CONTRACTOR for CONTRACT No. 0910-085, titled "Well 50 Drilling Project" are both necessary and in the best interest of CITY; and

NOW, THEREFORE, in consideration of the aforesaid premises, the parties mutually agree as follows:

REQUIRED APPROVAL

This Contract shall not become effective until and unless approved by the Carson City Board of Supervisors or the Carson City Regional Transportation Commission.

CONTRACT TERM AND LIQUIDATED DAMAGES

CONTRACTOR agrees to complete the Work on or before the date specified in the Notice to Proceed or any executed Change Orders to the entire satisfaction of the **OWNER** before final payment is made, unless sooner termination by either party as specified in the General Conditions, section GC 3.18.

Pursuant to the provisions under Time for Completion and Liquidated Damages in the Contract Documents of said Specifications; the **CONTRACTOR** will complete the work within the Contract time. Since **OWNER** and **CONTRACTOR** agree it is difficult to ascertain the actual amount of damages incurred due to delay of the Project, it is agreed that **OWNER** will be paid the liquidated damages as specified in the Contract Special Conditions for each and every calendar day of delay in the completion of the work, in addition to any direct charges incurred by the **OWNER** as a result of delay of the Project, including engineering fees and additional damages due to late construction. The **OWNER** also reserves the right to deduct any amounts due the **OWNER** from any moneys earned by the **CONTRACTOR** under this Contract.

That in the performance of this Contract, an employer shall pay 1 1/2 times an employee's regular wage rate whenever an employee who received compensation for employment at a rate less than 1 1/2 time the minimum wage who works more than forty (40) hours in any scheduled work week, more than eight (8) hours in a day, unless by mutual agreement the employee works a scheduled ten (10) hours per day for four (4) calendar days with an work week. Employers should refer to NRS 608.018 for further details on overtime requirements.

NOTICE

Unless otherwise specified, termination shall not be effective until seven (7) calendar days after a party has served written notice of default, or without cause upon the other party. All notices or other communications required or permitted to be given under this Contract shall be in writing and shall be deemed to have been duly given if delivered personally in hand, by e-mail with simultaneous regular mail, by telephonic facsimile with simultaneous regular mail, or by certified mail, return receipt requested, postage prepaid on the date posted, and addressed to the other party at the address specified below.

For P&C Use Only
CCBL expires _____
NVCL expires _____
GL expires _____
AL expires _____
WC expires _____

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Notice to CONTRACTOR shall be addressed to:

Humbolt Drilling & Pump Company, Inc.
Michelle Strother, Corporate Secretary
4975 West Winnemucca Blvd
Winnemucca, NV 89445
775-623-5259/FAX 775-623-0307
mstrother@humboltdrilling.com

Notice to CITY shall be addressed to:

Carson City Purchasing & Contracts
Sandy Scott, Purchasing & Contracts Coordinator
201 North Carson Street Suite 3
Carson City, NV 89701
775-887-2133 extension 30137 / FAX 775-887-2107
SScott@ci.carson-city.nv.us

COMPENSATION

The parties agree that **CONTRACTOR** will provide the Work specified in these Contract Documents for the Contract Amount of "One Hundred Eighty Six Thousand, Nine Sixty Four Dollars and No Cents" (\$186,964.00).

OWNER will pay **CONTRACTOR** progress payments and the final payment computed from the actual quantities of work performed and accepted and the materials furnished at the Unit and Lump Sum prices shown on the **CONTRACTOR'S** Bid Proposal and any executed Change Orders.

Contract Amount represents full and adequate compensation for the complete Work, and includes the furnishing of all materials; all labor, equipment, tools, transportation, services, appliances; and all expenses, direct or indirect connected with the proper execution of the work.

OWNER does not agree to reimburse **CONTRACTOR** for expenses unless otherwise specified.

CONTRACT TERMINATION

Termination Without Cause:

Any discretionary or vested right of renewal notwithstanding, this Contract may be terminated upon written notice by mutual consent of both parties or unilaterally by either party without cause.

CITY reserves the right to terminate this Contract for convenience whenever it considers termination, in its sole and unfettered discretion, to be in the public interest. In the event that the Contract is terminated in this manner, payment will be made for work actually completed. In no event if termination occurs under this provision shall **CONTRACTOR** be entitled to anticipated profits on items of work not performed as of the effective date of the termination or compensation for any other item, including but not limited to, unabsorbed overhead. **CONTRACTOR** shall assure that all subcontracts which he/she enters related to this Contract likewise contain a termination for convenience clause which precludes the ability of any subcontractor to make claims against **CONTRACTOR** for damages, due to breach of contract, of lost profit on items of work not performed or of unabsorbed overhead, in the event of a convenience termination.

Termination for Nonappropriation:

The continuation of this Contract beyond June 30, 2009 is subject to and contingent upon sufficient funds being appropriated, budgeted, and otherwise made available by the Carson City Board of Supervisors. CITY may terminate this Contract, and **CONTRACTOR** waives any and all claim(s) for damages, effective immediately upon receipt of written notice (or any date specified therein) if for any reason the funding is not appropriated or is withdrawn, limited, or impaired.

Cause Termination for Default or Breach:

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A default or breach may be declared with or without termination.

This Contract may be terminated by either party upon written notice of default or breach to the other party as follows:

If CONTRACTOR fails to provide or satisfactorily perform any of the conditions, work, deliverables, goods, or services called for by this Contract within the time requirements specified in this Contract or within any granted extension of those time requirements; or

If any state, county, city or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by CONTRACTOR to provide the goods or services required by this Contract is for any reason denied, revoked, debarred, excluded, terminated, suspended, lapsed, or not renewed; or

If CONTRACTOR becomes insolvent, subject to receivership, or becomes voluntarily or involuntarily subject to the jurisdiction of the bankruptcy court; or

If CITY materially breaches any material duty under this Contract and any such breach impairs CONTRACTOR'S ability to perform; or

If it is found by CITY that any quid pro quo or gratuities in the form of money, services, entertainment, gifts, or otherwise were offered or given by CONTRACTOR, or any agent or representative of CONTRACTOR, to any officer or employee of CITY with a view toward securing a contract or securing favorable treatment with respect to awarding, extending, amending, or making any determination with respect to the performing of such contract; or

If it is found by CITY that CONTRACTOR has failed to disclose any material conflict of interest relative to the performance of this Contract.

CITY may terminate this Contract if CONTRACTOR:

Fails to maintain bonding, Nevada State Contractors' Board License, State Industrial Insurance requirements or insurance policies for limits as defined in this Contract;

Persistently or materially refuses or fails to supply properly skilled workers or proper materials;

Fails to make payment to subcontractors for materials or labor in accordance with the respective agreements between CONTRACTOR and the subcontractors;

Disregards laws, ordinances, or rules, regulations or order of a public authority having jurisdiction; Otherwise makes a material breach of a provision of this Contract; or

CONTRACTOR fails to maintain safe working conditions.

When any of the above reasons exist, CITY may provide, without prejudice to any other rights or remedies of CITY and after giving CONTRACTOR and CONTRACTOR'S Surety, seven (7) calendar days written notice, terminate employment of CONTRACTOR and may, subject to any prior rights of the surety:

Take possession of the site and of all materials, equipment, tools and construction equipment and machinery thereon owned by CONTRACTOR;

Accept assignment of subcontractors pursuant to this Contract (Contingent Assignment of Subcontracts to Carson City if this Contract is terminated); and,

Finish the Work by whatever reasonable method CITY may deem expedient.

If CITY terminates this Contract for one of the reasons stated above, CONTRACTOR shall not be entitled to receive further payment until the Work is finished.

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If the unpaid balance of the Contract Amount exceeds the cost of finishing the Work including expenses made necessary thereby, such excess shall be paid to CONTRACTOR. If the costs of finishing the Work exceed the unpaid balance, CONTRACTOR shall pay the difference to CITY. The amount to be paid to CONTRACTOR or CITY, as the case may be, shall survive termination of this Contract.

In the event of such termination, all monies due CONTRACTOR or retained under the terms of this Contract shall be held by CITY; however, such holdings will not release CONTRACTOR or its sureties from liability for failure to fulfill this Contract. Any excess cost over and above the Contract Amount incurred by CITY arising from the termination of the operations of this Contract and the completion of the Work by CITY as provided above shall be paid for by any available funds held by CITY. CONTRACTOR will be so credited with any surplus remaining after all just claims for such completion have been paid.

If at any time before completion of the Work under this Contract, the Work shall be stopped by an injunction of a court of competent jurisdiction or by order of any competent authority, CITY may give notice to CONTRACTOR to discontinue the Work and terminate this Contract. CONTRACTOR shall discontinue the Work in such manner, sequence, and at such times as CITY may direct. CONTRACTOR shall have no claim for damages for such discontinuance or termination, nor any claim for anticipated profits on the Work thus dispensed with, nor for any claim for penalty, nor for any other claim such as unabsorbed overhead, except for the work actually performed up to the time of discontinuance, including any extra work ordered by CITY to be done.

Time to Correct:

Termination upon a declared default or breach may be exercised only after service of formal written notice as specified above, and the subsequent failure of the defaulting party within five (5) calendar days of that notice to provide evidence, satisfactory to the aggrieved party, showing that the declared default or breach has been corrected.

Winding Up Affairs Upon Termination:

In the event of termination of this Contract for any reason, the parties agree that the provisions of this paragraph survive termination:

The parties shall account for and properly present to each other all claims for fees and expenses and pay those which are undisputed and otherwise not subject to set off under this Contract. Neither party may withhold performance of winding up provisions solely based on nonpayment of fees or expenses accrued up to the time of termination;

CONTRACTOR shall satisfactorily complete work in progress at the agreed rate (or a pro rata basis if necessary) if so requested by CITY;

CONTRACTOR shall execute any documents and take any actions necessary to effectuate an assignment of this Contract if so requested by CITY;

CONTRACTOR shall preserve, protect, and promptly deliver into CITY possession all proprietary information in accordance with City Ownership of Proprietary Information.

SCOPE OF WORK

The parties agree that the scope of work will be specifically described and hereinafter referred to as the **WORK**. This Contract incorporates the following attachments, a **CONTRACTOR'S** attachment shall not contradict or supersede any **OWNER** specifications and/or terms or conditions without written evidence of mutual assent to such change appearing in this Contract.

CONTRACTOR agrees that the Contract Documents for Bid No. 0910-085 include, but not limited to, the Notice to Contractors, Table of Contents, Project Coordination, Instructions to Bidders, Contract Award Information, General Conditions, Special Conditions, Technical Specification, Prevailing Wages, Contract Drawings, and Addenda, if any, herein after referred to as Exhibit A, are intended to be complete and complementary and are intended to describe a complete work. These documents are incorporated herein by reference and made a part whereof.

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CONTRACTOR additionally agrees **CONTRACTOR'S** Bid Bond, Proposal Summary, Executed Contract, Performance Bond, Labor and Material Bond, Certificate of Eligibility, Insurance Certificates, Permits, Notice of Award, Notice to Proceed and Executed Change Orders, referred to as Exhibit B, are incorporated herein and made a part whereof.

FAIR EMPLOYMENT PRACTICES

Pursuant to NRS 338.125, Fair Employment Practices, the following provisions must be included in any contract between **CONTRACTORS** and Public Bodies;

In connection with the performance of work under this Contract, the CONTRACTOR agrees not to discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex sexual orientation or age, including, without limitation, with regard to employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including without limitation, apprenticeship.

CONTRACTOR further agrees to insert this provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

PREFERENTIAL EMPLOYMENT

Pursuant to Nevada Revised Statute 338.130, in all cases where persons are employed in the construction of public works, preference must be given, the qualifications of the applicants being equal: (1) First: To persons who have been honorably discharged from the Army, Navy, Air Force, Marine Corps or Coast Guard of the United States, a reserve component thereof or the National Guard; and are citizens of the State of Nevada. (2) Second: To other citizens of the State of Nevada.

In connection with the performance of work under this Contract, **CONTRACTOR** agrees to comply with the provisions of Nevada Revised Statute 338.130 requiring certain preferences to be given to which persons are employed in the construction of a public work. If **CONTRACTOR** fails to comply with the provisions of Nevada Revised Statute 338.130, pursuant to the terms of Nevada Revised Statute 338.130(3), this Contract is void, and any failure or refusal to comply with any of the provisions of this section renders this Contract void.

ALTERNATIVE DISPUTE RESOLUTION

Pursuant to Nevada Revised Statute 338.150, public body charged with the drafting of specifications for a public work shall include in the specifications a clause requiring the use of a method of alternative dispute resolution before initiation of a judicial action if a dispute arises between the public body and the **CONTRACTOR** engaged on the public work if the dispute cannot otherwise be settled. Therefore, in the event that a dispute arising between **OWNER** and **CONTRACTOR** cannot otherwise be settled, **OWNER** and **CONTRACTOR** agree that, before judicial may be initiated, **OWNER** and **CONTRACTOR** will submit the dispute to non-binding mediation. **OWNER** shall present **CONTRACTOR** with a list of three potential mediators. **CONTRACTOR** shall select one person to serve as the mediator from the list of potential mediators presented by **OWNER**. The person selected as mediator shall determine the rules governing the mediation.

LIMITED LIABILITY

OWNER will not waive and intends to assert available NRS Chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages. Liquidated damages shall not apply unless otherwise specified in the incorporated attachments. Damages for any **OWNER** breach shall never exceed the amount of funds appropriated for payment under this Contract, but not yet paid to **CONTRACTOR**, for the fiscal year budget in existence at the time of the breach. **CONTRACTOR'S** tort liability shall not be limited.

FORCE MAJEURE

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NEITHER party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event, the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of this Contract after the intervening cause ceases.

INDEMNIFICATION

To the extent permitted by law, including but not limited to, the provisions of NRS Chapter 41, each party shall indemnify, hold harmless and defend, not excluding the other's right to participate, the other party from and against all liability, claims, actions, damages, losses, and expenses, including but not limited to reasonable attorney's fees and costs arising out of any alleged negligent or willful acts or omissions of the indemnifying party, its officers, employees and agents. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of the indemnity which would otherwise exist as to any party or person described in this paragraph.

Except as otherwise provided below, the indemnifying party shall not be obligated to provide a legal defense to the indemnifying party, nor reimburse the indemnified party for the same, for any period occurring before the indemnified party provides written notice of the pending claim(s) or cause(s) of action to the indemnifying party, along with:

- 1) a written request for a legal defense for such pending claim(s) or cause(s) of action; and
- 2) a detailed explanation of the basis upon which the indemnified party believed that the claim or cause of action asserted against the indemnified party implicated the culpable conduct of the indemnifying party, its officers, employees, and/or agents.

After the indemnifying party has begun to provide a legal defense for the indemnified party, the indemnifying party shall not be obligated to fund or reimburse any fees or costs provided by any additional counsel for the indemnified party, including counsel through which the indemnified party might voluntarily choose to participate in its defense of the same matter.

After the indemnifying party has begun to provide legal defense for the indemnified party, the indemnifying party shall not be obligated to reimburse the reasonable attorney's fees and costs incurred by the indemnified party during the initial thirty (30) day period of the claim or cause of action, if any, incurred by separate counsel.

INDEPENDENT CONTRACTOR

An independent contractor is a natural person, firm or corporation who agrees to perform services for a fixed price according to his/her or its own methods and without subjection to the supervision or control of the other contracting party, except as to the results of the work, and not as to the means by which the services are accomplished.

It is mutually agreed that **CONTRACTOR** is associated with **CITY** only for the purposes and to the extent specified in this Contract, and in respect to performance of the contracted services pursuant to this Contract. **CONTRACTOR** is and shall be an independent contractor and, subject only to the terms of this Contract, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Contract.

Nothing contained in this Contract shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for **CITY** whatsoever with respect to the indebtedness, liabilities, and obligations of **CONTRACTOR** or any other party.

CONTRACTOR shall indemnify and hold **CITY** harmless from, and defend **CITY** against, any and all losses, damages, claims, costs, penalties, liabilities, expenses arising out of or incurred in any way because of, but not limited to, **CONTRACTOR'S** obligations or legal duties regarding any taxes, fees, assessments, benefits,

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entitlements, notice of benefits, employee's eligibility to work, to any third party, subcontractor, employee, state, local or federal governmental entity.

Neither **CONTRACTOR** nor its employees, agents, or representatives shall be considered employees, agents, or representatives of **CITY**.

COMPLIANCE WITH LEGAL OBLIGATIONS

Pursuant to NRS 338.153, a public body shall include in each contract for a public work a clause requiring each Contractor, subcontractor and other person who provide labor, equipment, materials, supplies and services for the public work to comply with the requirements of all applicable state and local laws, including without limitation, any applicable licensing requirements and requirements for the payment of sales and use taxes on equipment, materials and supplies provided for the public work.

CONTRACTOR shall procure and maintain for the duration of this Contract any state, county, city or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by **CONTRACTOR** to provide the goods or services of this Contract. **CONTRACTOR** will be responsible to pay all taxes, assessments, fees, premiums, permits, and license required by law. Real property and personal property taxes are the responsibility of **CONTRACTOR** in accordance with NRS 361.157 and NRS 361.159. **CONTRACTOR** agrees to be responsible for payment of any such government obligations not paid by its subcontractors during performance of this Contract. **OWNER** may set-off against consideration due any delinquent government obligations.

WAIVER OF BREACH

Failure to declare a breach or the actual waiver of any particular breach of this Contract or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.

SEVERABILITY

If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract shall be construed as if such provision does not exist and the nonenforceability of such provision shall not be held to render any other provision or provisions of this Contract unenforceable.

ASSIGNMENT/DELEGATION

To the extent that any assignment of any right under this Contract changes the duty of either party, increases the burden or risk involved, impairs the chances of obtaining the performance of this Contract, attempts to operate as a novation, or includes a waiver or abrogation of any defense to payment by **OWNER**, such offending portion of the assignment shall be void, and shall be a breach of this Contract. **CONTRACTOR** shall neither assign, transfer nor delegate any rights, obligations or duties under this Contract without the prior written approval of **OWNER**.

CITY OWNERSHIP OF PROPRIETARY INFORMATION

Any files, reports, histories, studies, test, manuals, instruction, photographs, negatives, blue prints, plans, maps, data, system designs, computer programs, computer codes, and computer records (which are intended to be consideration under this Contract), or any other documents or drawings, prepared or in the course of preparation by **CONTRACTOR** (or its subcontractors) in performance of its obligations under this Contract shall be exclusive property of the City of Carson City, Nevada, and such materials shall be delivered into **OWNER'S** possession by **CONTRACTOR** upon completion, termination, or cancellation of this Contract. **CONTRACTOR** shall not use, willingly allow, or cause to have such materials used for any purpose other than the performance of **CONTRACTOR'S** obligations under this Contract without the prior written consent of **OWNER**. Notwithstanding the foregoing, **OWNER** shall have no proprietary interest in any materials license for use by **OWNER** that are subject to patent, trademark or copyright protection.

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OWNER shall be permitted to retain copies, including reproducible copies, of **CONTRACTOR'S** drawings, specifications, and other documents for information and reference in connection with this Contract.

CONTRACTOR'S drawings, specification and other documents shall not be used by **OWNER** or others without expressed permission of **CONTRACTOR**.

PUBLIC RECORDS

Pursuant to NRS 239.010, information or documents received from **CONTRACTOR** may be opened to public inspection and copying. **OWNER** will have duty to disclose unless a particular record is made confidential by law or a common law balancing of interests. **CONTRACTOR** may clearly label specific parts of an individual document as a "trade secret" or "confidential" in accordance with NRS 332.061, provided that **CONTRACTOR** thereby agrees to indemnify and defend **OWNER** for honoring such a designation. The failure to so label any document that is released by **OWNER** shall constitute a complete waiver of any and all claims for damages caused by any release of the records.

CONFIDENTIALITY

CONTRACTOR shall keep confidential all information, in whatever form, produced, prepared, observed or received by **CONTRACTOR** to the extent that such information is confidential by law or otherwise required by this Contract.

FEDERAL FUNDING

In the event federal funds are used for payment of all or part of this Contract:

CONTRACTOR certified, by signing this Contract, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. This certification if made pursuant to the regulations implementing Executive Order 12549, Debarment and Suspension, 28 C.F.R. pt. 67, § 67.510, as published as pt. VII of the May 26, 1988, Federal Register (pp.19160-19211), and any relevant program-specific regulations. This provision shall be required of every subcontractor receiving any payment in whole or in part from federal funds.

CONTRACTOR and its subcontractors shall comply with all terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (P.L. 101-136), 42 U.S.C. 12101, as amended, and regulations adopted thereunder contained in 28 C.F.R. 26.101.36.999, inclusive, and any relevant program-specific regulations.

CONTRACTOR and its subcontractors shall comply with the requirements of the Civil Rights Act of 1964, as amended, the Rehabilitation Act of 1973, P.L. 93-112, as amended, and any relevant program-specific regulation, and shall not discriminate against any employee or offeror for employment because of race, national origin, creed, color, sex, religion, age, disability or handicap conditions (including AIDS and AIDS-related conditions).

LOBBYING

The parties agree, whether expressly prohibited by federal law, or otherwise, that no funding associated with this Contract will be used for any purpose associated with or related to lobbying or influencing or attempting to lobby or influence for any purpose the following:

Any federal, state, county or local agency, legislature, commission, counsel or board;

Any federal, state, county or local legislator, commission member, counsel member, board member, or any other elected official; or

Any officer or employee of any federal, state, county or local agency, legislature, commission, counsel, or board.

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PROPER AUTHORITY

The parties hereto represent and warrant that the person executing this Contract on behalf of each party has full power and authority to enter into this Contract. **CONTRACTOR** acknowledges that this Contract is effective only after approval by the Carson City Board of Supervisors and only for the period of time specified in this Contract. Any services performed by **CONTRACTOR** before this Contract is effective or after it ceases to be effective are performed at the sole risk of **CONTRACTOR**.

GOVERNING LAW: JURISDICTION

This Contract and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Nevada, without giving effect to any principle of conflict-of-law that would require the application of the law any other jurisdiction. **CONTRACTOR** consents and agrees to the jurisdiction of the courts of the State of Nevada located in Carson City, Nevada for enforcement of this Contract.

ENTIRE CONTRACT AND MODIFICATION

This Contract and its integrated attachment(s) constitute the entire contract of the parties and such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other Contracts that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this Contract specifically displays a mutual intent to amend a particular part of this Contract general conflicts in language between any such attachment and this Contract shall be construed consistent with the terms of this Contract. Unless otherwise expressly authorized by the terms of this Contract, no modification or amendment to this Contract shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto and approved by the Carson City Board of Supervisors or the Regional Transportation Commission.

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0910-085
Well 50 Well Drilling Project**

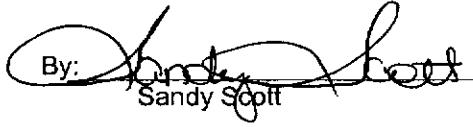
AND ALL SUPPLEMENTAL AGREEMENTS AMENDING OR EXTENDING THE WORK CONTEMPLATED.

ACKNOWLEDGMENT AND EXECUTION:

In witness whereof, the parties hereto have caused this Contract to be signed and intend to be legally bound thereby.

CARSON CITY

Finance Director
Attn: Sandy Scott, Purchasing and
Contracts Coordinator
201 North Carson Street, Suite 3
Carson City, Nevada 89701
Telephone: 775-887-2133 ext 30137
Fax: 775-887-2107
SScott@ci.carson-city.nv.us

By: 
Sandy Scott

Dated 10-6-09

CITY'S LEGAL COUNSEL

Neil A. Rombardo, District Attorney

I have reviewed this Contract and approve
as to its legal form.

By: 
Deputy District Attorney

Dated 10-6-09

CITY'S ORIGINATING DEPARTMENT

BY: Andrew Burnham, Director
Carson City Public Works Department
3505 Butti Way
Carson City, Nevada 89701
Telephone: 775-887-2355 Ext. 30367
Fax: 775-887-2164
ABurnham@ci.carson-city.nv.us

By: 

Dated 10/6/09

CONTRACT FOR SERVICES OF INDEPENDENT CONTRACTOR
0910-085
Well 50 Well Drilling Project

"name of signer" deposes and says: That he/she is Contractor or authorized agent of Contractor; the he/she has read the foregoing Contractor; and that he/she understands the terms, conditions and requirements thereof.

CONTRACTOR

BY: Michelle Strother

TITLE: Corporate Secretary

FIRM: Hydro Resources Nevada Inc., dba. "Humboldt Drilling and Pump Company, Inc.

CARSON CITY BUSINESS LICENSE #: 09-00020043

NEVADA CONTRACTOR'S LICENSE #: 0056797

Address: 4975 West Winnemucca Blvd

Address: 4378 West Winnemucca Blvd
City: Winnemucca **State:** Nevada **Zip Code:** 89445

City: Winnemucca State: Nevada
Telephone: 775-623-5259/Fax: 775-623-0307

E-mail Address: mstrothers@humboldtdrilling.com

(Signature of Contractor)

DATED

STATE OF _____)
County of _____) (ss

Signed and sworn (or affirmed before me on this _____ day of _____, 2009, by Michelle Strother

(Signature of Notary)

(Notary Stamp)

CONTRACT FOR SERVICES OF INDEPENDENT CONTRACTOR

0910-085

Well 50 Well Drilling Project

CONTRACT ACCEPTANCE AND EXECUTION:

The Board of Supervisors for Carson City, Nevada at their publicly noticed meeting of October 1, 2009, approved the acceptance of the attached contract hereinbefore identified as **CONTRACT No. 0910-085** and titled "**Well 50 Drilling Project**". Further, the Board Of Supervisors authorizes the Mayor of Carson City, Nevada to set his hand to this document and record his signature for the execution of this contract in accordance with the action taken.

CARSON CITY, NEVADA

ROBERT L CROWELL, MAYOR

DATED this 15th day of October, 2009.

ATTEST:

ALAN GLOVER, CLERK-RECORDER

DATED this 15th day of October, 2009.

Bid Tabulation Report from Carson City Purchasing & Contracts
775-887-2133 extension 30137

<http://www.carson-city.nv.us/index.aspx?page=998>

Notice to Contractors Bid# 0910-085 Well 50 Drilling Project
Date and Time of Bid Opening: September 9, 2009 @ 10:10 am

Description	Bidder #1	Bidder #				
BONDING Provided, \$, %, or no	Humbolt Drilling & Pump Co., Inc.	Boart Longyear Company				
PREFERENTIAL Bidder Status	5%	5%				
BIDDER acknowledges receipt addendums	Yes	Yes				
Description	Sched Value	Unit	Unit price	Total price	Unit price	Total Price
SUMMARY						
1 Mobilization and Demobilization	1	LS	\$45,000.00	\$45,000.00	\$2,000.00	\$72,000.00
2 Drill 32-inch diameter borehole from 0 to 40-feet	40	FT	\$200.00	\$8,000.00	\$305.00	\$12,200.00
3 Furnish and Install 26-inch OD, 0.375-inch wall steel blank well casing	40	FT	\$114.00	\$4,560.00	\$215.00	\$8,600.00
4 Furnish and install cement in the annulus between 32-inch borehole and 26-inch borehole and 26-inch casing from 0 to 40 feet	90	FT	\$25.00	\$2,250.00	\$45.00	\$4,050.00
5 Drill nominal 24-inch diameter borehole from 40 to 400-feet	360	FT	\$125.00	\$45,000.00	\$220.00	\$79,200.00
6 Furnish and install 16-inch OD, 0.25-inch wall blank steel casing	200	FT	\$53.00	\$10,600.00	\$80.00	\$16,000.00
7 Furnish and 16-inch OD, 0.25-inch wall 0.08-inch-slot steel wire wrap screen	200	FT	\$106.00	\$21,200.00	\$90.00	\$18,000.00
8 Furnish and install casing centerizers at 40-foot intervals from total depth to 40-feet	10	EA	\$100.00	\$1,000.00	\$6.50	\$65.00
9 Furnish and install No. 6x12 well rounded quality gravel pack in the annulus between 24-inch borehole and 16-inch casing from 400 to 175-feet	450	CF	\$18.00	\$8,100.00	\$35.00	\$15,750.00
10 Furnish and install 1.5-inch ID, sounder pipe (200 ft blank and 160 ft perforated)	360	FT	\$15.00	\$5,400.00	\$10.00	\$3,600.00
11 Furnish and install 2-inch ID, gravel pack steel pipe with screw cap	178	FT	\$18.00	\$3,204.00	\$17.00	\$3,026.00

Description	Bidder # 1	Bidder #
Furnish and install bentonite or sand pack in the annulus between 24-inch borehole and 16-inch casing from 175 to 170-feet	Humbolt Drilling & Pump Co., Inc.	Boart Longyear Company
Furnish and install cement seal in the annulus between 24-inch borehole and 16-inch casing from 170-foot to ground surface	5 FT	\$200.00
Initial well development by a combination of methods including double swabbing with simultaneous airlifting, using high capacity compressor, 750 CFM and 300 psi	350 CF	\$25.00
Dispersing chemicals, NW220 or similar non-phosphate approved dispersant (est 100 lbs)	24 HR	\$475.00
Plumbness/alignment survey Gyroscopic/Drift-Pac survey	100 LBS	\$15.00
Furnish and install steel collar surface cap with holes for locking, 2-inch casing vent, and well cleaning and disinfection	1 LS	\$8,000.00
Total Bid Price		\$186,964.00
Total Bid Price written in words? y/n	Yes	
Description of drilling rig and equipment to be used on y/n	Yes	
Description of bottom hole assembly y/n	Yes	
Resumes of drillers and onsite supervisors y/n	Yes	
Bidder Information provided? y/n	Yes	
Sub Contractors listed? y/n or none	Yes	
Bid Document executed? y/n	Yes	
END OF DOCUMENT		

BID PROPOSAL

BID BOND

KNOW ALL MEN BY THESE PRESENTS, that I/We Humboldt Drilling & Pump Co., Inc. as Principal, hereinafter called Contractor, and Arch Insurance Company Missouri a corporation duly organized under the laws of the State of Nevada, as Surety, hereinafter called the Surety, are held and firmly bound unto Carson City, Nevada a consolidated municipality of the State of Nevada, hereinafter called City, for the sum of \$ Five Per Cent of the Greatest Amount Bid --- (\$ 5% G.A.B.) Dollars

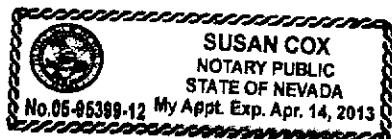
(state sum in words)

for the payment whereof Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid, identified as **BID # 0910-085** and titled "Well 50 Drilling Project".

NOW, THEREFORE If the City shall accept the bid of the Principal and the Principal shall enter into a contract with the City in accordance with the terms of such bid, and give such bond or bonds as may be specified in the bidding or Bid Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the City the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the City may in good faith contract with another party to perform work covered by said bid or an appropriate liquidated amount as specified in the Invitation for Bids then this obligation shall be null and void, otherwise to remain in full force and effect.

(Seal)



Executed on this 9th day of September 2009

Signature of Principal:

Title: Corporate Secy

Firm: Humboldt Drilling & Pump Co., Inc.

Address: 4975 W. Winnemucca Blvd.

City/State/Zip Code: Winnemucca, NV 89445

Written Name of Principal: Michelle Strother

ATTEST NAME

Signature of Notary: Susan Cox

Subscribed and sworn before me this 9 day of Sept 2009
(printed name of notary) Susan Cox Notary Public for the State of Nevada

Claims Under this Bond May be Addressed to:

Agent for Service of Process:

Name of Surety	Arch Insurance Company	Name of Agency: Constructors Bonding, Inc. of Nevada
Address	One Liberty Plaza, 53rd Floor	Address: 6600 W. Charleston Blvd., Suite 116
City	New York	City: Las Vegas
State/Zip Code	New York 10006	State/Zip Code: NV 89146
Name	Rita G. Gulizo	Agent Name: Gregory Griffith
Title	Attorney-in-Fact	Title: Nevada Resident Agent
Phone	(504) 599-8800	Phone: (702) 878-2622
Surety's Acknowledgement	<u>Rita Gulizo</u>	

NOTICE: No substitution or revision to this bond form will be accepted. Sureties must be authorized to do business in and have an agent for services of process in the State of Nevada. Certified copy of Power of Attorney must be attached.

POWER OF ATTORNEY

Know All Men By These Presents:

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal office in Kansas City, Missouri (hereinafter referred to as the "Company") does hereby appoint

Rita G. Gulizo, Michael F. Tubbs and Susan D. Zapalowski of New Orleans, LA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds and undertakings

EXCEPTION: NO AUTHORITY is granted to make, execute, seal and deliver bonds or undertakings that guarantee the payment or collection of any promissory note, check, draft or letter of credit.

This authority does not permit the same obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The Company may revoke this appointment at any time.

The execution of such bonds and undertakings in pursuance of these presents shall be as binding upon the said Company as fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office in Kansas City, Missouri.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on March 3, 2003, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings, obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This Power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on March 3, 2003:

VOTED, That the signature of the Chairman of the Board, the President, or any Vice President, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on March 3, 2003, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.

TERRORISM RISK INSURANCE ACT OF 2002 STATUS NOTICE

TERRORISM COVERAGE PROVIDED UNDER THIS BOND

The Terrorism Risk Insurance Act of 2002 established a program within the Department of Treasury under which the federal government shares, with the insurance industry, the risk of loss from future terrorist attacks. The Act has been reauthorized excluding coverage which is the subject of this bond.

Since the federal Program has been modified, you will have no coverage for certified acts of terrorism as was previously required under the Terrorism Risk Insurance Act of 2002.

If you have any questions, please contact your insurance broker or agent.

This Notice does not form a part of your bond. If there is any conflict between this Notice and the bond (including its endorsements), the provisions of the bond (including its endorsements) apply.

BID PROPOSAL

BID # 0910-085

BID TITLE: Well 50 drilling Project

NOTICE: No substitution or revision to this Bid Proposal form will be accepted. Carson City will reject any Bid that is received that has changes or alterations to this document. Although the Prevailing Wages are provided in this bid document, the bidder is responsible to verify with the Labor Commissioner if any addendums have been issued. The successful bidder will be required to provide the current Prevailing Wages used in preparation of their bid within 24 hours of bid submission.

PRICES will be valid for sixty (60) calendar days after the bid opening which is indicated in the Notice to Contractors.

A COPY OF CONTRACTOR'S "CERTIFICATE" of eligibility issued by the State of Nevada Contractors' Board as proof of Bidder's compliance with the provisions of N.R.S. 338.147 must be submitted with his/her bid for the preference to be considered. This Statute does not apply to projects expected to cost less than \$250,000.

COMPLETION of this project is expected **PURSUANT TO THE BID DOCUMENTS**.

BIDDER acknowledges receipt of 1 Addendums.

SUMMARY

	Description	Scheduled Value	Unit	Unit Price	Total Price
BP.1	Mobilization and Demobilization	1	LS	45,000 -	45,000 -
BP.2	Drill 32-inch diameter borehole from 0 to 40-feet	40	FT	200 -	8,000 -
BP.3	Furnish and install 26-inch OD, 0.375-inch wall steel blank well casing	40	FT	114 -	4,560 -
BP.4	Furnish and install cement in the annulus between 32-inch borehole and 26-inch casing from 0 to 40 feet	90	CF	25 -	2,250 -
BP.5	Drill nominal 24-inch diameter borehole from 40 to 400 feet	360	FT	125 -	45,000 -
BP.6	Furnish and install 16-inch OD, 0.25-inch wall blank steel well casing	200	FT	53 -	10,600 -
BP.7	Furnish and install 16-inch OD, 0.25-inch wall 0.08-inch-slot steel wire wrap screen	200	FT	106 -	21,200 -
BP.8	Furnish and install casing centralizers as 40-foot intervals from total depth to 40-feet	10	EA	100 -	1,000 -
BP.9	Furnish and install No.6 x 12 well rounded quality gravel pack in the annulus between 24-inch borehole and 16-inch casing from 400 to 175 feet	450	CF	18 -	8,100 -
BP.10	Furnish and install 1.5-inch ID, sounder pipe (200 ft. blank and 160 ft perforated)	360	FT	15 -	5,400 -
BP.11	Furnish and install 2-inch ID, gravel pack steel pipe with screw cap	178	FT	18 -	3,204 -
BP.12	Furnish and install bentonite or sand pack in the annulus between 24-inch borehole and 16-inch casing from 175 to 170 feet	5	FT	200 -	1,000 -
BP.13	Furnish and install cement seal in the annulus between 24-inch borehole and 16-inch casing from 170-foot to ground surface	350	CF	25 -	8,750 -

BID PROPOSAL

Description		Scheduled Value	Unit	Unit Price	Total Price
BP.14	Initial well development by a combination of methods including double swabbing with simultaneous airlifting, using high capacity compressor, 750 CFM and 300 psi	24	HR	475 -	11,400 -
BP.15	Dispersing chemicals, NW220 or similar non-phosphate approved dispersant (est 100 lbs)	100	LBS	15 -	1,500 -
BP.16	Plumbness/alignment survey Gyroscopic/Drift-Pac survey	1	LS	8000 -	8,000 -
BP.17	Furnish and install steel collar surface cap with holes for locking, 2-inch casing vent, and well cleaning and disinfection	1LS		2,000 -	2,000 -
BP.18	Total Bid Price				\$ 186,964 ⁰⁰

BP.19 Total Bid Price Written in Words:

One hundred eighty six thousand, nine hundred sixty four dollars.

BP. 20 PLEASE INCLUDE THE FOLLOWING WITH YOUR BID:

Description of the drilling rig and equipment to be used on the project (attach pages if needed).

Midway 3500 150,000 lb rig Reverse Circulation

Howard Turner 60,000 lb rig Reverse Circulation

(2) 9,000 Gallon Mud Tanks w/ shaker screen

(2) 21,000 Gallon Frac Tanks

Drill Pipe Trailer

Backhoe

Dog house with 70KW Gen Set and Fuel Supply Tank

750 CFM 300 PSI Compressor

Description of the bottom hole assembly.

24" Drill bit with 10,000 lb weight collar

Resumes of the drillers and onsite supervisors for the project (please attach).



NEVADA STATE CONTRACTORS BOARD

9670 GATEWAY DRIVE, SUITE 100, RENO, NEVADA, 89521 (775) 688-1141 FAX (775) 688-1271
2310 CORPORATE CIRCLE, SUITE 200, HENDERSON, NEVADA, 89074, (702) 486-1100 FAX (702) 486-1190

COPY

SPECIALTY CONTRACTOR'S RESTRICTED CERTIFICATE OF ELIGIBILITY PER NRS 338.147 and NRS 338.1389

CERTIFICATE NUMBER: SBPC-09-04-10-0107

HUMBOLDT DRILLING AND PUMP CO. INC. (HEREIN THE
"CONTRACTOR") NEVADA STATE CONTRACTORS' LICENSE NUMBER: 56797
ORIGINAL ISSUE DATE: 10/30/2003 BUSINESS TYPE: CORPORATION
CLASSIFICATION: C23-DRILL WELLS, INSTALL PUMPS, PRESSURE
TANKS AND STORAGE TANKS MONETARY LICENSE LIMIT: UNLIMITED
STATUS: ACTIVE, IS HEREBY ISSUED THIS CERTIFICATE BY THE NEVADA
STATE CONTRACTORS' BOARD, BASED UPON THE INFORMATION CONTAINED IN
THE STATEMENT OF COMPLIANCE WITH NEVADA REVISED STATUTES (NRS)
338.147 AND NRS 338.1389 AND THE AFFIDAVIT OF CERTIFIED PUBLIC
ACCOUNTANT SUBMITTED TO THE NEVADA STATE CONTRACTORS BOARD AS
PROOF OF CONTRACTOR'S COMPLIANCE WITH THE PROVISIONS OF NRS 338.147
AND NRS 338.1389. IN ACCORDANCE WITH THE PROVISIONS OF NRS
338.147(3), THE ABOVE-NAMED CONTRACTOR AND A CERTIFIED PUBLIC
ACCOUNTANT HAVE SUBMITTED FULLY EXECUTED AND NOTARIZED SWORN
AFFIDAVITS AS PROOF OF PREFERENTIAL BIDDER STATUS, UNDER PENALTY OF
PERJURY, CERTIFYING THAT THE CONTRACTOR IS QUALIFIED TO RECEIVE A
PREFERENCE IN BIDDING AS SET FORTH IN NRS 338.147 AND NRS 338.1389 AND
OTHER MATTERS RELATING THERETO WHEN ACTING AS A PRIME CONTRACTOR
ON THE SPECIFIC PUBLIC WORKS PROJECT FOR WHICH THIS CERTIFICATE IS
SUBMITTED BY THE CONTRACTOR.

THIS CERTIFICATE OF ELIGIBILITY IS ISSUED ON APRIL 14, 2009 AND
EXPIRES ON OCTOBER 31, 2009, UNLESS SOONER REVOKED OR SUSPENDED
BY THE NEVADA STATE CONTRACTORS BOARD.

Nancy Mathias 4-10-2009
NANCY MATHIAS, LICENSING ADMINISTRATOR

DATE

FOR MARGI GREIN, EXECUTIVE OFFICER



The Nevada State Contractors Board assumes no liability or responsibility for the accuracy or validity of the information contained in the Contractors Statement of Compliance or the Affidavit of Certified Public Accountant as Proof of Contractors Compliance with the Provisions of NRS 338.147 and NRS 338.1389. The above-named Contractor shall bear the responsibility to ascertain the accuracy and validity of the affidavits provided to support the issuance of this certificate.

BRET TOMPKINS

3885 Wedekind Rd.

Spark, Nevada 89431

775-848-9531

Summary: Over 15 years of increasing responsibility within the construction industry. Strong management skills, including operations, budgeting, project management, contractor relations, inventory/equipment control and personnel. Noted for my ability to professionally complete contracts on time and within budget.

WORK EXPERIENCE

Vice President/Project Manager

Hydro Resources Nevada Inc. dba Humboldt Drilling and Pump Co., Inc.

Winnemucca, Nevada

2003-Present

- ❖ Overall management of various commercial projects, ranging in size from \$100,000 - \$6 million
- ❖ Negotiated contracts with engineers, vendors and subcontractors
- ❖ Worked with city and county agencies regarding permits, inspections, and environmental regulations
- ❖ Provided overall supervision of construction sites and workers
- ❖ Kept clients up-to-date on progress and informed of unexpected complications

President/Owner

Humboldt Pump and Rehab Co., Inc.

Winnemucca, Nevada

2000-2003

- ❖ Provided supervision for up to 10 employees.
- ❖ Scheduled workers and subcontractors. Kept schedules moving efficiently to minimize down time
- ❖ Sold company assets in 2003

Vice President/Project Manager

Humboldt Drilling & Pump Co., Inc.

Winnemucca, Nevada

1994-2000

- ❖ Performed and supervised drilling, pump and irrigation projects including miles of water and sewer pipelines
- ❖ Monitored safety regulations and compliance
- ❖ Performed/supervised construction of trenching and installation of underground utilities per Sierra Pacific and Southwest Gas regulations. Building roads to county specs within subdivisions
- ❖ Installed septic systems and excavation for foundations and building pads

EDUCATION

Treasure Valley Community College
Ontario, Oregon

- ❖ Associate of Arts degree in Accounting
- ❖ Associate of Arts degree in Farm/Ranch Management

Additional training and/or education

- ❖ Youngest person in Nevada to receive a water well drillers license
- ❖ Certified welder
- ❖ Additional training in related construction and heavy equipment operator
- ❖ Foundation and rock work
- ❖ Tile and granite work

STEVE SWEAT
670 Panama Dr.
Sparks, NV. 89436
(775) 848-9955

Summary: Have been working at Humboldt Drilling & Pump Co. for the past 11 years. Have a good understanding of the drilling and pump industry and what it takes to successfully complete municipal wells. Specialized in working with other project managers and engineers. Making sure projects are completed in a timely and professional manner.

WORK EXPERIENCE

Driller/Job Superintendent

Hydro Resources Nevada Inc., dba Humboldt Drilling & Pump Co.
Winnemucca, Nevada

1998-Present

- Drilled numerous water wells in the states of California, Nevada and Oregon
- In charge of mobilization to job sites of all necessary equipment and personnel
- Order all materials and products to complete wells
- Schedule crews in and out of jobs to insure proficient time management
- Operate heavy equipment and cranes
- Repair and maintenance of equipment
- Certified welder
- In charge of obtaining all required permits pertaining to job specifications
- Good understanding of environmental requirements pertaining to the discharge of water and drilling fluids
- Provided supervision of construction job sites and crews
- Work side by side with engineers during numerous projects from start to finish

BID PROPOSAL

BP.21 BIDDER INFORMATION:

Hydro Resources Nevada Inc.	
Company Name:	Humboldt Drilling and Pump Co Inc.
Federal ID No.:	35-2214455
Mailing Address:	4975 West Winnemucca Blvd
City, State, Zip Code:	Winnemucca, NV 89445
Complete Telephone Number:	775 623 5259
Complete Fax Number:	775 623 0307
E-mail:	mstrother@humboldtdrilling.com
Contact Person / Title:	Michelle Strother - Corp Secty
Mailing Address:	4975 West Winnemucca Blvd
City, State, Zip Code:	Winnemucca, NV 89445
Complete Telephone Number:	775 623 5259
Complete Fax Number:	775 623 0307
E-mail Address:	mstrother@humboldtdrilling.com

BP.22 LICENSING INFORMATION:

Nevada State Contractor's License Number: 0056797	
License Classification(s): C23	
Limitation(s) of License: Unlimited	
Date Issued:	10/30/2003
Date of Expiration:	10/31/2010
Name of Licensee: Humboldt Drilling and Pump Co Inc	
Carson City Business License Number: 09-00020043	
Date Issued:	12/18/08
Date of Expiration:	12/31/09
Name of Licensee: Hydro Resources Nevada Inc.	

BID PROPOSAL

BP.23 DISCLOSURE OF PRINCIPALS:

Individual and/or Partnership: *NA*

Owner 1) Name:	
Address:	
City, State, Zip Code:	
Telephone Number:	
Owner 2) Name:	
Address:	
City, State, Zip Code:	
Telephone Number:	
Other 1) Title:	
Name	
Other 2) Title:	
Name:	

Corporation:

State in which Company is Incorporated:	<i>Delaware</i>
Date Incorporated:	<i>9/15/03</i>
Name of Corporation:	<i>Hydro Resources Nevada Inc.</i>
Mailing Address	<i>4975 West Winnemucca Blvd</i>
City, State, Zip Code:	<i>Winnemucca, NV 89445</i>
Telephone Number:	<i>775 623 5259</i>
President's Name:	<i>Alton Cherry</i>
Vice-President's Name:	<i>Bret Tompkins</i>
Other 1) Name:	<i>Michelle Strother</i>
Title:	<i>Corporate Secretary</i>
Other 2) Name:	
Title	

BID PROPOSAL

BP.24 MANAGEMENT AND SUPERVISORY PERSONNEL:

Persons and Positions	Years With Firm
Name 1) Bret Tompkins	16
Title 1) Vice President	
Name 2) Steve Sweat	
Title 2) Drilling Supervisor / Driller	11
Name 3) Ray Wilson	
Title 3) Drilling Field Supervisor / Driller	20
Name 4) William Nelson	
Title 4) Drilling Field Supervisor / Driller	12
Name 5)	
Title 5)	
Name 6)	
Title 6)	

(If additional space is needed, attach a separate page)

BID PROPOSAL

BP.25 REFERENCES:

Instructions:

List at least three (3) contracts of a similar nature performed by your firm in the last three (3) years. If **NONE**, use your Company's letterhead (and submit with your bid proposal) to list what your qualifications are for this contract. Carson City reserves the right to contact and verify, with any and all references listed, the quality of and the degree of satisfaction for such performance.

Clients: (if additional space is needed attach a separate page)

Company Name 1): Washoe County Dept of Water Resources
Contract Person: <u>Dan Dragan</u>
Mailing Address: <u>4930 Energy Way</u>
City, State, Zip Code: <u>Reno, NV 89502</u>
Complete Telephone Number: <u>775 954 4653</u>
E-Mail Address: <u>ddragan@mail.co.washoe.nv.us</u>
Project Title: <u>Secondary Wellfield Construction</u>
Amount of Contract: <u>\$ 990,000 -</u>
Scope of Work: <u>Drill (3) 18" x 500' Production Wells</u>
Company Name 2): Truckee Meadows Water Authority
Contract Person: <u>Bwire Ojiambo</u>
Mailing Address: <u>PO Box 30013</u>
City, State, Zip Code: <u>Reno, NV 89502</u>
Complete Telephone Number: <u>775 834 8028</u>
E-Mail Address: <u>bojiambo@tmwa.net</u>
Project Title: <u>East 1st Street, Hawkings and Sparks High Wells</u>
Amount of Contract: <u>\$ 570,000 -</u>
Scope of Work: <u>Drill (3) Production Wells - Various diameter and depth</u>
Company Name 3): Sierra Pacific Power Co -
Contract Person: <u>John Gilbert</u>
Mailing Address: <u>PO Box 10100</u>
City, State, Zip Code: <u>Reno, NV 89520</u>
Complete Telephone Number: <u>775 834 2360</u>
E-Mail Address: <u>jgilbert@nvenergy.com</u>

BID PROPOSAL

Project Title:	Drill and Install Production Wells at Valmy
Amount of Contract	\$ 1,074,000 -
Scope of Work:	One 680' and one 870' Production Well
Company Name 4):	San Jose Water Company
Contract Person:	Scott Lewis
Mailing Address:	500 First Street
City, State, Zip Code:	Woodland, CA 95695
Complete Telephone Number:	530-406-8936 ext 10
E-Mail Address:	slewis@lsce.com
Project Title:	12th Street and Tully Road Wells
Amount of Contract:	\$ 990,500 -
Scope of Work:	Drill one 680' and one 415' Production Well

BID PROPOSAL

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS PRIMARY COVERED TRANSACTIONS

BP. 26

1. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal, State or Local department or agency.
 - b) Have not within a three-year period preceding this bid been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or Local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
 - c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State or Local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - d) Have not within a three-year period preceding this bid had one or more public transactions (Federal, State or Local) terminated for cause or default.
2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this bid.

Michelle Strother
Signature of Authorized Certifying Official

Michelle Strother
Printed Name

Corporate Secretary
Title

9/8/09
Date

I am unable to certify to the above statement. My explanation is attached.

Signature

Date

BIDDER'S SAFETY INFORMATION

Bidder's Safety Factors:

Year	"E-Mod" Factor ¹	OSHA Incident Rate ²
2008	1.16	10.27
2007	.96	6.29

¹ E-Mod (Experience Modification) Factors are issued by the Employer's Insurance Company of Nevada.

² OSHA Incident Rate is the number of OSHA Recordable Accidents per 100 employees and is calculated as the number of accidents divided by 208,000.

BID PROPOSAL

SUBCONTRACTORS

BP. 27 INSTRUCTIONS: for Subcontractors exceeding five (5) percent of bid amount. This information must be submitted with your bid proposal. The bidder shall enter "NONE" under "Name of Subcontractor" if not utilizing subcontractors exceeding this amount. (This form must be complete in all respects. If, additional space is needed, attach a separate page).

Name of Subcontractor NONE	Address	
Phone	Nevada Contractor License #	Limit of License
Description of work		
Name of Subcontractor	Address	
Phone	Nevada Contractor License #	Limit of License
Description of work		
Name of Subcontractor	Address	
Phone	Nevada Contractor License #	Limit of License
Description of work		
Name of Subcontractor	Address	
Phone	Nevada Contractor License #	Limit of License
Description of work		
Name of Subcontractor	Address	
Phone	Nevada Contractor License #	Limit of License
Description of work		

BID PROPOSAL

SUBCONTRACTORS

BP. 28 INSTRUCTIONS: for Subcontractors exceeding one (1) percent of bid amount or \$50,000 whichever is greater. This information must be submitted by the three lowest bidders within two (2) hours after the completion of the opening of the bids. The bidder may elect to submit this information with the bid proposal and, in that case, the bidder will be considered as having submitted this information within the above two hours.

Name of Subcontractor <u>Welenco</u>	Address <u>5201 Woodmere Drive Bakersfield CA 93313</u>	
Phone <u>800 445 9914</u>	Nevada Contractor License # <u>NA</u>	Limit of License
Description of work <u>Item BP.16 Plumbness/alignment survey Gyroscopic/DriftPac survey</u>		
Name of Subcontractor	Address	
Phone	Nevada Contractor License #	Limit of License
Description of work		
Name of Subcontractor	Address	
Phone	Nevada Contractor License #	Limit of License
Description of work		
Name of Subcontractor	Address	
Phone	Nevada Contractor License #	Limit of License
Description of work		
Name of Subcontractor	Address	
Phone	Nevada Contractor License #	Limit of License
Description of work		

BID PROPOSAL

SUBCONTRACTORS

BP. 29 INSTRUCTIONS: for all Subcontractors not previously listed on the 5% and 1% pages. This information must be submitted by the three lowest bidders within twenty four (24) hours after the completion of the opening of the bids. The bidder may elect to submit this information with the bid proposal and, in that case, the bidder will be considered as having submitted this information within the above twenty four hours.

Name of Subcontractor <u>NONE</u>	Address	
Phone	Nevada Contractor License #	Limit of License
Description of work		
Name of Subcontractor	Address	
Phone	Nevada Contractor License #	Limit of License
Description of work		
Name of Subcontractor	Address	
Phone	Nevada Contractor License #	Limit of License
Description of work		
Name of Subcontractor	Address	
Phone	Nevada Contractor License #	Limit of License
Description of work		
Name of Subcontractor	Address	
Phone	Nevada Contractor License #	Limit of License
Description of work		

BID PROPOSAL

BP. 30 ACKNOWLEDGMENT AND EXECUTION:

STATE OF Nevada)
COUNTY OF Humboldt) ss

I Michelle Strother (Name of party signing this Bid Proposal), do depose and say: That I am the Bidder or authorized agent of the Bidder; and that I have read and agree to abide by this Bid which includes, but is not limited to the following documents: Notice to Contractors, Table of Contents, Project Coordination, Instructions to Bidders, Bid Bond, Proposal Summary, Contract Award Instructions and Information, Sample Contract, Sample Performance Bond, Sample Labor and Material Payment Bond, General Conditions, Special Conditions, Standard Specifications, Prevailing Wage Rates, Technical Specifications, Geotechnical Report (if any), Contract Drawings, Permits (if any), and any addenda issued and understands the terms, conditions, and requirements thereof; that if his/her bid is accepted that he/she agrees to furnish and deliver all materials except those specified to be furnished by the City (Owner) and to do and perform all work for the "Well 50 Drilling Project", contract number 0910-085, together with incidental items necessary to complete the work to be constructed in accordance with the Contract Documents, Contract Drawings, and Specifications annexed hereto.

BIDDER:

PRINTED NAME OF BIDDER: Michelle Strother

TITLE: Corporate Secretary

FIRM: Hydro Resources Nevada Inc. dba: Humboldt Drilling and Pump Co Inc.

Address: 4975 West Winnemucca Blvd.

City, State, Zip: Winnemucca NV 89445

Telephone: 775 623 5259

Fax: 775 623 0307

E-mail Address: mstrother@humboldtdrilling.com

Michelle Strother
(Signature of Bidder)

DATED: 9/8/09

Signed and sworn (or affirmed) before me on this 8th day of SEPTEMBER, 2009, by

Wesley A. Jaynes
(Signature of Notary)

(Notary Stamp)

END OF BID PROPOSAL

