

PERFORMANCE BOND

**Rehabilitation of the
El Pueblo Water Treatment Plant
Clear Well Tank
Potable Water Treatment Plant
Scotts Valley Water District**

PERFORMANCE BOND
(100% of Contract Amount)

BOND NO. _____

WHEREAS, the Scotts Valley Water District, Scotts Valley, California, and _____

_____, (herein designated as "Principal") have entered into an Agreement whereby Principal agrees to complete certain designated public improvements,

which said Agreement dated _____, 2008 identified as Rehabilitation of the El Pueblo Water Treatment Plant Clear Well Tank, Potable Water Treatment Plant, Scotts Valley Water District is hereby referred to and made a part hereof;

NOW, THEREFORE, WE, _____, as Principal and

_____, as Surety, are held and firmly bound unto the Scotts Valley Water District hereinafter called "District", in the penal sum of

_____ Dollars (\$ _____) lawful money of the United States for the payment of which sum, well and truly made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above-bounden Principal, or his heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said Agreement and any alteration thereof made as therein provided, on their part to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless District, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be in and remain in full force and effect.

As part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees incurred by District in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Agreement or to the work to be performed thereunder or the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principals and Surety above named, on _____, 2008.

Surety

Attorney-in-Fact

Principal

Principal

(Note: All signatures above must be notarized)

END OF PERFORMANCE BOND