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DOC # 0648734
07/06/2005 08:25 AM Deputy: KLJ
OFFICIAL RECORD
Requested By:
D C/COMMUNITY DEVELOPMENT

Assessor's Parcel Number: N/A

Page: 1 Of 24 Fee: 0.00
BK-0705 PG-1814 RPTT: 0.00

Recording Requested By:

Name: LYNDA TEGLIA/COMMUNITY DEVELOPMENT

Address: ______

City/State/Zip: _____

Real Property Transfer Tax: \$_N/A

AGREEMENT #2005.137

(Title of Document)

FILED

STANDARD FORM OF AGREEMENT BETWEEN OWNER AND CONTRACTOR ON THE BASIS OF A STIPULATED PRICE

10.2005. 137

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	SAPBARA REED
THIS AGREEMENT is dated as of the 28 day of June and between Douglas County, Nevada (hereinafter called OWNER) and SIERRA NEVADA CONSTRUCTION, THE. (hereinafter called CONTR.)	in the year 28 65 by
	\ \

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

ARTICLE 1 - WORK

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

2005 ROAD SEAL PROJECT DCCD CONTRACT # 2005-603

ARTICLE 2 - THE PROJECT

2.01 The Project for which the Work under the Contract Documents may be the whole or only a part is generally described as follows:

SEALING OF VARIOUS ROADS WITHIN DOUGLAS COUNTY

ARTICLE 3 - ENGINEER

3.01 The Project has been designed by:

Jeff Foltz, PE

Douglas County Community Development

P.O. Box 218 Minden, NV. 89423

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

ARTICLE 4 - CONTRACT TIMES

4.01 Time of the Essence

A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

4.02 Dates for Substantial Completion and Final Payment

A. The Work will be substantially completed on or before <u>July 29, 2005</u>, and completed and ready for final payment in accordance with paragraph 14.07 of the General Conditions on or before <u>August 12, 2005</u>.

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4.03 Liquidated Damages

- CONTRACTOR and OWNER recognize that time is of the essence of this Agreement and that OWNER will suffer financial loss if the Work is not completed within the times specified in paragraph 4.02 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. The parties also recognize the delays, expense and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by OWNER if the Work is not completed on time. Accordingly, instead of requiring any such proof, OWNER and CONTRACTOR agree that as liquidated damages for delay (but not as a penalty) CONTRACTOR shall pay OWNER Five Hundred dollars (\$500.00) for each day that expires after the time specified in paragraph 4.02 for Substantial Completion until the Work is substantially complete. After Substantial Completion, if CONTRACTOR shall neglect, refuse or fail to complete the remaining Work within the time specified in paragraph 4.02 for completion and readiness for final payment or any proper extension thereof granted by OWNER, CONTRACTOR shall pay OWNER Five Hundred dollars (\$500.00) for each day that expires after the time specified in paragraph 4.02 for completion and readiness for final payment until the Work is completed and ready for final payment.
- In the event that the CONTRACTOR fails to pay OWNER the specified liquidated damages amount within thirty (30) days of CONTRACTOR's being notified of said damages, OWNER may deduct the amount of the assessed liquidated damages from the final payment or retention withheld pursuant to Article 14 of the General Conditions.

ARTICLE 5 - CONTRACT PRICE

- OWNER shall pay CONTRACTOR for completion of the Work in accordance with the 5.01 Contract Documents an amount in current funds equal to the sum of the amounts determined below:
- for all Unit Price Work, an amount equal to the sum of the established Unit Price for each separately identified item of Unit Price Work times the estimated quantity of that item, as indicated in the attached Bid Schedule;
- as provided in paragraph 11.03 of the General Conditions estimated quantities are B. not guaranteed, and determinations of actual quantities and classification are to be made by ENGINEER as provided in paragraph 9.08 of the General Conditions. Unit prices have been computed as provided in paragraph 11.03 of the General Conditions.

ARTICLE 6 - PAYMENT PROCEDURES

- Submittal and Processing of Payments 6.01
- CONTRACTOR shall submit Applications for Payment in accordance with Article 14 of the General Conditions. Applications for Payment will be processed by ENGINEER as provided in the General Conditions.
- Progress Payments, Retainage 6.02
- OWNER shall make progress payments on account of the Contract Price on the basis of CONTRACTOR's Applications for Payment as recommended by ENGINEER, on or about the Friday following either the first or third Thursday of each month, depending upon the timing of submittals and approvals, as provided in paragraphs 6.02.A.1 and 6.02.A.2 below. All such payments will be measured by the schedule of values established in paragraph 2.07.A of the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no schedule of values, as provided in the General Requirements:

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- Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below, but, in each case, less the aggregate of payments previously made and less such amounts as ENGINEER shall determine or OWNER may withhold, in accordance with paragraph 14.02 of the General Conditions:
 - 90% of Work completed (with balance being retainage). If Work has been 50% completed as determined by ENGINEER, and if the character and progress of the Work have been satisfactory to OWNER and ENGINEER, OWNER, on recommendation of ENGINEER, may determine that as long as the character and progress of the Work remain satisfactory to them, there will be no retainage on account of Work subsequently completed, in which case the remaining progress payments prior to Substantial Completion will be in an amount equal to 100% of the Work completed less the aggregate of payments previously made, and
 - 90% of cost of materials and equipment not incorporated in the Work (with the balance being retainage).
- Upon Substantial Completion, OWNER shall pay an amount sufficient to increase total payments to CONTRACTOR to 90% of the Work completed, less such amounts as ENGINEER shall determine in accordance with paragraph 14.02.B.5 of the % of Engineer's estimate of the value of Work to be General Conditions and less ____100 completed or corrected as shown on the tentative list of items to be completed or corrected attached to the certificate of Substantial Completion.

6.03 Final Payment

Upon final completion and acceptance of the Work in accordance with paragraph 14.07 of the General Conditions, OWNER shall pay the remainder of the Contract Price as recommended by ENGINEER as provided in said paragraph 14.07.

ARTICLE 7 - INTEREST

All moneys not paid when due as provided in Article 14 of the General Conditions shall bear 7.01 interest at the rate allowed by law at the place of the project.

ARTICLE 8 - CONTRACTOR'S REPRESENTATIONS

- In order to induce OWNER to enter into this Agreement CONTRACTOR makes the following representations:
- CONTRACTOR has examined and carefully studied the Contract Documents and the Α. other related data identified in the Bidding Documents.
- CONTRACTOR has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- CONTRACTOR is familiar with and is satisfied as to all federal, state, and local Laws and Regulations that may affect cost, progress, and performance of the Work.
- CONTRACTOR has carefully studied all (if any): (1) reports of explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the Site (except Underground Facilities) which have been identified in the Supplementary Conditions as provided in paragraph 4.02 of the General Conditions and (2) reports and drawings of a Hazardous Environmental Condition, if any, at the Site which has been identified in the Supplementary Conditions as provided in paragraph 4.06 of the General Conditions.

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CONTRACTOR accepts the determination set forth in paragraph SC-4.2 of the Supplementary Conditions of the extent of the "technical data" contained in such reports and drawings upon which CONTRACTOR is entitled to rely as provided in paragraph 4.2 of the General Conditions CONTRACTOR acknowledges that such reports and drawings are not Contract Documents and may not be complete for CONTRACTOR's purposes. CONTRACTOR acknowledges that OWNER and ENGINEER do not assume responsibility for the accuracy or completeness of information and data shown or indicated in the Contract Documents with respect to Underground

Facilities at or contiguous to the site.

- E. CONTRACTOR has obtained and carefully studied (or assumes responsibility for having done so) all examinations, investigations, explorations, tests, studies, and data concerning conditions (surface, subsurface and Underground Facilities) at or contiguous to the Site which may affect cost, progress, or performance of the Work or which relate to any aspect of the means, methods, techniques, sequences and procedures of construction, if any, expressly required by the Contract Documents to be employed by CONTRACTOR, and safety precautions and programs incident thereto.
- F. CONTRACTOR does not consider that any further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract Documents.
- G. CONTRACTOR is aware of the general nature of work to be performed by OWNER and others at the Site that relates to the Work as indicated in the Contract Documents.
- H. CONTRACTOR has correlated the information known to CONTRACTOR, information and observations obtained from visits to the Site, reports and drawings identified in the Contract Documents and all additional examinations, investigations, explorations, tests, studies, and data with the Contract Documents.
- I. CONTRACTOR has given ENGINEER written notice of all conflicts, errors, ambiguities or discrepancies that CONTRACTOR has discovered in the Contract Documents, and the written resolution thereof by ENGINEER is acceptable to CONTRACTOR.
- J. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

ARTICLE 9 - CONTRACT DOCUMENTS

9.01 Contents

- A. The Contract Documents consist of the following:
 - 1. This Agreement (pages 1 to 7, inclusive);
 - Performance Bond (pages <u>1</u> to <u>3</u>, inclusive);
 - Payment Bonds (pages 1 to 3, inclusive);
 - Other Bonds (pages N/A to N/A, inclusive);
 - 5. General Conditions (pages 1 to 44, inclusive, not attached);
 - 6. Supplementary Conditions (pages SC-1 to SC-16, inclusive, not attached);

- Specifications as listed in table of contents of the Project Manual (not attached);
- Drawings (not attached) consisting of eight (8) location maps included in Division 8, Exhibits of the Contract.
- Addenda (numbers <u>1</u> to <u>2</u>, inclusive);
- 10. Exhibits to this Agreement (enumerated as follows):
 - a. Notice to Proceed (pages 1 to 1 inclusive, not attached)
 - b. CONTRACTOR's Bid (pages BF-1 to BF- 10, inclusive, not attached).
 - Documentation submitted by CONTRACTOR prior to Notice of Award (pages <u>N/A</u> to <u>N/A</u>, inclusive, not attached).
- 11. The following which may be delivered or issued on or after the Effective Date of the Agreement and are not attached hereto:
 - a. Written Amendments
 - b. Work Change Directives
 - c. Change Order(s)
- 12. Part 2 and Part 3 of the "Standard Specifications for Public Works Construction, Washoe County, City of Sparks, City of Reno, Carson City, City of Yerington," 1996 Edition, incorporated by reference.
- B. The documents listed in paragraph 9.01 A are attached to this Agreement (except as expressly noted otherwise above).
- C. There are no Contract Documents other than those listed above in this Article 9.
- D. The Contract Documents may only be amended, modified or supplemented as provided in paragraph 3.04 of the General Conditions.

ARTICLE 10 - MISCELLANEOUS

10.01 Terms

A. Terms used in this will have the meanings indicated in the General Conditions.

10.02. Assignment of Contract

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

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10.03 Successors and Assigns

OWNER and CONTRACTOR each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract

10.04 Severability

Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon OWNER and CONTRACTOR, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

10.05 Other Provisions

If applicable, in the event that there is any litigation relative to the interpretation or enforcement of this agreement or any of the Contract Documents, the prevailing party shall be entitled to a reasonable Attorney's fee, together with costs of sult.

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

This Agreement will be effective on _	6/28/8	, 200
		OUNTY, NEVADA - OWNER
	Kelly D. Kite	

STATE OF NEVADA

)ss.

COUNTY OF DOUGLAS

One the 20th day of June, 2005, Kelly D. Kite, Chairman of the Douglas County Board of Commissioners, personally appeared before me, Barbara J. Reed, Douglas County Clerk, and acknowledged to me that, in conformance with the direction of the Board of Douglas County Commissioners' meeting of JLNE 2 2005, he executed the above instrument on behalf of Douglas County, a political subdivision of the State of Nevada.

> para J. Reed, Douglas County Clark to Bossa CONTRACTOR

SIERRA NEVADA CONSTRUCTION, INC.

(Authorized Representative)

Print Name KEVIN L. ROBERTSON, PRESIDENT

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07/06/2005

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STATE OF NEVADA)) SS:	
COUNTY OF DOUGLAS)	
On this 13th day of June, in the year Michel D. Bushnell / Notary Public, pers basis of satisfactory evidence) to be the person(s) whose instrument, and acknowledge that he (she/they) execute	ionally known to me (or proved to me on the se name(s) is (are) subscribed to this
WITNESS my hand and official seal.	MICHELE D. BUSHNELL Notary Public - State of Nevada
Muhule Syskinell Notary's Signature	Appointment Recorded in Washoe County No: 99-35561-2 - Expires February 11, 2007
My Commission Expires: 2-11-07	Ÿetalinmininktybrintusekennetyjerisekskilämtäessääninetyöntöäläseksääntööntäeliminin jä
Address for giving notices to Owner:	Address for giving notices to Contractor:
Carl Ruschmeyer	CEARG D. HOLT
Engineering Manager/County Engineer	VICE PRESIDENT
Douglas County Community Development	ZOSS E GREG ST.
P.O. Box 218	SPARKS, NIV 89431
Minden, NV 89423	
	NV License No. 25565
	Agent for service of process:
	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \

604 W. MOANA LN.

RENO, NV 89509

CONSTRUCTION PERFORMANCE BOND

Address of Principal
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Lord Jones Attorney-In-Fact
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(Corp. Seal)
NEVADA RESIDENT AGENT
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Page 1 of 3

- 1. The CONTRACTOR and the Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the OWNER for the performance of the Construction Contract, which is incorporated herein by reference.
- 2. If the CONTRACTOR performs the Construction Contract, the Surety and the CONTRACTOR shall have no obligation under this Bond, except to participate in conferences as provided in Subparagraph 3.1.
- 3. If there is no OWNER Default, the Surety's obligation under this Bond shall arise after:
 - The OWNER has notified the 3.1 CONTRACTOR and the Surety at its address described in Paragraph 10 below, that the OWNER is considering declaring a CONTRACTOR Default and has requested and attempted to arrange a conference with the CONTRACTOR and the Surety to be held not later than fifteen days after receipt of such notice to discuss methods of performing the Construction Contract. If the OWNER, the CONTRACTOR and the Surety agree, the CONTRACTOR shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the OWNER's right, if any, subsequently to declare a CONTRACTOR Default; and
 - The OWNER has declared a CONTRACTOR 3.2 Default and formally terminated the CONTRACTOR's right to complete the contract. Such CONTRACTOR Default shall not be declared earlier than twenty days after the CONTRACTOR and the Surety have received notice as provided in Subparagraph 3.1: and
 - The OWNER has agreed to pay the Balance 3.3 of the Contract Price to:
 - 3.3.1 The Surety in accordance with the terms of the Contract;
 - 3.3.2 Another contractor selected pursuant to paragraph 4.3 to perform the Contract.
- When the OWNER has satisfied the conditions of Paragraph 3, the Surety shall promptly and at the Surety's expense take one of the following actions:
 - Arrange for the CONTRACTOR, with consent of the OWNER, to perform and complete the Construction Contract; or
 - Undertake to perform and complete the Construction Contract itself, through its agents or through independent contractors; or

- 4.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the OWNER for a contract for performance and completion of the Construction Contract. arrange for a contract to be prepared for execution by the OWNER and the CONTRACTOR selected with the OWNER's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the OWNER the amount of damages as described in Paragraph 6 in excess of the Balance of the Contract Price incurred by the OWNER resulting from the CONTRACTOR's default; or
- Waive its right to perform and complete, arrange for completion, or obtain a new CONTRACTOR and with reasonable promptness under the circumstances:
 - 4.4.1. After investigation, determine the amount for which it may be liable to the OWNER and, as soon as practicable after the amount is determined, tender payment therefor to the OWNER; or
 - 4.4.2. Deny liability in whole or in part and notify the OWNER citing reasons therefor.
- 5. If the Surety does not proceed as provided in paragraph 4 with reasonable promptness, the Surety shall be deemed to be in default on this Bond fifteen days after receipt of an additional written notice from the OWNER to the Surety demanding that the Surety perform its obligations under this Bond, and the OWNER shall be entitled to enforce any remedy available to the OWNER, If the Surety proceeds as provided in paragraph 4.4, and the OWNER refuses the payment tendered or the Surety has denied liability, in whole or in part, without further notice the OWNER shall be entitled to enforce any remedy available to the OWNER.
- 6. After the OWNER has terminated the CONTRACTOR's right to complete the Construction Contract, and if the Surety elects to act under paragraph 4.1, 4.2, or 4.3, above, then the responsibilities of the Surety to the OWNER shall not be greater than those of the CONTRACTOR under the Construction Contract, and the responsibilities of the OWNER to the Surety shall not be greater than those of the OWNER under the Construction Contract. To the limit of the amount of this Bond, but subject to commitment by the OWNER of the Balance of the Contract Price to mitigation of costs and damages on the Construction Contract, the Surety is obligated without duplication for:
 - The responsibilities of the CONTRACTOR for 6.1 correction of defective work and completion of the Construction Contract;

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- 6.2 Additional legal, design professional and delay costs resulting from the CONTRACTOR's Default, and resulting from the actions or failure to act of the Surety under paragraph 4; and
- 6.3 Liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non[performance of the CONTRACTOR.
- 7. The Surety shall not be liable to the OWNER or others for obligations of the CONTRACTOR that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the OWNER or its heirs, executors, administrators, or successors.
- 8. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.
- 9. Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after CONTRACTOR Default or within two years after the CONTRACTOR ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by Law, the Minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.
- 10. Notice to the Surety, the OWNER or the CONTRACTOR shall be mailed or delivered to the address shown on the signature page.
- 11. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.
- 12. Definitions.
 - 12.1 Balance of the Contract Price: The total amount payable by the OWNER to the CONTRACTOR under the Construction Contract after all proper adjustments have been made, including allowance to the CONTRACTOR of any amounts received or to be received by the OWNER in settlement of insurance or other claims for damages to which the CONTRACTOR is entitled,

- reduced by all valid and proper payments made to or on behalf of the CONTRACTOR under the Construction Contract.
- 12.2. Construction Contract: The agreement between the OWNER and the CONTRACTOR identified on the signature page, including all Contract Documents and changes thereto.
- 12.3. CONTRACTOR Default: Failure of the CONTRACTOR, which has neither been remedied nor waived, to perform or otherwise to comply with the terms of the Construction Contract.
- 12.4. OWNER Default: Failure of the OWNER, which has neither been remedied nor waived, to pay the CONTRACTOR as required by the Construction Contract or to perform and complete or comply with the other terms thereof.

CONSTRUCTION PAYMENT BOND

Any singular reference to Contractor, Surety, where applicable.	Owner or other party shall be considered plural
CONTRACTOR (Name and Address):	SURETY (Name and Address of Principal
Sierra Nevada Construction, Inc.	Place of Business):
P.O. Box 50760	Travelers Casualty & Surety Company of America
Sparks, Nevada 89435-0760	10680 White Rock Rd. Rancho Cordova, CA 95670
OWNER (Name and Address): Douglas County 1594 Esmeralda Ave. Minden, Nevada 89423 CONSTRUCTION CONTRACT	
Date:	and place bundred eighty four and 10/00
Amount: two hundred ninety nine thomposteription (Name and Location): 2005 Road Seal Project	usand nine hundred eighty four and 10/00 (\$299,984.10)
BOND	
Date (Not earlier than Construction	
Amount: two hundred ninety nine tho Modifications to this Bond Form:	usand nine hundred eighty four and 10/00 (\$299,984.10)
Surety and Contractor, intending to be legall following two pages, do each cause this Perists authorized officer, agent or representative	y bound hereby, subject to the terms printed on the formance Bond to be duly executed on its behalf by e.
CONTRACTOR AS PRINCIPAL	SURETY
Company: Sierra Nevada Constructation	, Inc Company: Casualty (Corp. Seal) Co of Ameri
Signature:	Signature: LOU NES
Name and Title: Kevin L. Robertson, President	Name and Title: Lori Jones Attorney-In-Fact (Attach Power of Attorney)
Space provided below for signatures of additional space and space and space are spaced as a space and spaced and spaced and spaced and spaced additional spaced and spaced	tional parties, if required)
CONTRACTOR AS PRINCIPAL	SURETY
Company: Corp. Seal)	Company:(Corp. Seal)
Signature:	Signature:
-	- A MISSIDENT AGENT
Name and Title:	Name and Title:
	(Attach Power of Attorney) +39844
Page 1 of 3	, CARROLLICASMALN. Elemonista (1980)

- 1. The CONTRACTOR and the Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the OWNER to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference.
- 2. With respect to the OWNER, this obligation shall be null and void if the CONTRACTOR:
 - 2.1 Promptly makes payment, directly or indirectly, for all sums due Claimants, and
 - 2.2 Defends, indemnifies and holds harmless the OWNER from all claims, demands, liens or suits by any person or entity who furnished labor, materials or equipment for use in the performance of the Construction Contract, provided the OWNER has promptly notified the CONTRACTOR and the Surety (at the address described in Paragraph 12) of any claims, demands, liens or suits and tendered defense of such claims, demands, liens or suits to the CONTRACTOR and the Surety, and provided there is no OWNER Default.
- With respect to Claimants, this obligation shall be null and void if the CONTRACTOR promptly makes payment, directly or indirectly, for all sums due.
- 4. The Surety shall have no obligation to Claimants under this Bond until:
 - 4.1 Claimants who are employed by or have a direct contract with the CONTRACTOR have given notice to the Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to the OWNER, stating that a claim is being made under this Bond and, with substantial accuracy, the amount of the claim.
 - 4.2 Claimants who do not have a direct contract with the CONTRACTOR:
 - 4.2.1. Have furnished written notice to the CONTRACTOR and sent a copy, or notice thereof, to the OWNER, within 90 days after having last performed labor or last furnished materials or equipment included in he claim stating, with substantial accuracy, the amount of the claim and the name of the party to whom the materials were furnished or supplied or for whom the labor was done or performed; and
 - 4.2.2. Have either received a rejection in whole or in part from the CONTRACTOR, or not received within 30 days of furnishing the above notice any communication from the CONTRACTOR by which the CONTRACTOR has indicated the claim will be paid directly or indirectly; and

- 4.2.3. Not having been paid within the above 30 days, have sent a written notice to the Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to the OWNER, stating that a claim is being made under this Bond and enclosing a copy of the previous written notice furnished to the CONTRACTOR.
- 5. If a notice required by Paragraph 4 is given by the OWNER to the CONTRACTOR or to the Surety, that is sufficient compliance.
- 6. When the Claimant has satisfied the conditions of Paragraph 4, the Surety shall promptly and at the Surety's expense take the following actions:
 - 6.1 Send an answer to the Claimant, with a copy to the OWNER, within 45 days after receipt of the claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed.
 - 6.2 Pay or arrange for payment of any undisputed amounts.
- 7. The Surety's total obligation shall not exceed the amount of this Bond, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.
- 8. Amounts owed by the OWNER to the CONTRACTOR under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any Construction Performance Bond. By the CONTRACTOR furnishing and the OWNER accepting this Bond, they agree that all funds earned by the CONTRACTOR in the performance of the Construction Contract are dedicated to satisfy obligations of the CONTRACTOR and the Surety under this Bond, subject to the OWNER's priority to use the funds for the completion of the work.
- 9. The Surety shall not be liable to the OWNER, Claimants or others for obligations of the CONTRACTOR that are unrelated to the Construction Contract. The OWNER shall not be liable for payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligations to make payments to, give notices on behalf of, or otherwise have obligations to Claimants under this Bond.
- 10. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.
- 11. No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the location in which the work or part of the work is located or after the expiration of one year

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- 12. Notice to the Surety, the OWNER or the CONTRACTOR shall be mailed or delivered to the address shown on the signature page. Actual receipt of notice by Surety, the OWNER or the CONTRACTOR, however accomplished, shall be sufficient compliance as of the date received at the address shown on the signature page.
- 13. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or the legal requirement shall be deemed incorporated herein. The intent is, that this Bond shall be construed as a statutory bond and not as a common law bond.
- 14. Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the CONTRACTOR shall promptly furnish a copy of this Bond or shall permit a copy to be made.

15. DEFINITIONS

- 15.1 Claimant: An individual or entity having a direct contract with the CONTRACTOR or with a subcontractor of the CONTRACTOR to furnish labor, materials or equipment for use in the performance of the Contract. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the CONTRACTOR and the CONTRACTOR's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.
- 15.2 Contract: The agreement between the OWNER and the CONTRACTOR identified on the signature page, including all Contract Documents and changes thereto.
- 15.3 OWNER Default: Failure of the OWNER, which has neither been remedied nor waived, to pay the CONTRACTOR as required by the Construction Contract or to perform and complete or comply with the other terms thereof.

TRAVELERS CASUALTY AND SURETY COMPANY FARMINGTON CASUALTY COMPANY Hartford, Connecticut 06183-9062

POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT

KNOW ALL PERSONS BY THESE PRESENTS, THAT TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY corporations duly organized under the laws of the State of Connecticut, and having their principal offices in the City of Hartford County of Hartford, State of Connecticut, (hereinafter the "Companies") hath made, constituted and appointed, and do by these presents make, constitute and appoint. Lori Jones, Richard Bullard, of Reno, Nevada, their true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, the following instrument(s): by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking and any and all consents incident thereto and to bind the Companies, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Companies, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Companies, which Resolutions are now in full force and effect:

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fac and Agents to act for and on behalf of the company and may give such appointee such authority as his or her certificate of authority may prescrib to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her.

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary.

VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary, or (b) duly executed (under seal, is required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority.

This Power of Attorney and Certificate of Authority is signed and sealed by facsimile (mechanical or printed) under and by authority of the following Standing Resolution voted by the Boards of Directors of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, which Resolution is now in full force and effect:

VOTED: That the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.



IMPORTANT DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

On November 26, 2002, President Bush signed into law the Terrorism Risk Insurance Act of 2002 (the "Act"). The Act establishes a short-term program under which the Federal Government will share in the payment of covered losses caused by certain acts of international terrorism. We are providing you with this notice to inform you of the key features of the Act, and to let you know what effect, if any, the Act will have on your premium.

Under the Act, insurers are required to provide coverage for certain losses caused by international acts of terrorism as defined in the Act. The Act further provides that the Federal Government will pay a share of such losses. Specifically, the Federal Government will pay 90% of the amount of covered losses caused by-certain-acts-of-terrorism-which-is-in excess of an insurer's statutorily established deductible for that year. The Act also caps the amount of terrorism-related losses for which the Federal insurer can be responsible or an Government \$100,000,000,000.00, provided that the insurer has met its deductible.

Please note that passage of the Act does not result in any change in coverage under the attached policy or bond (or the policy or bond being quoted). Please also note that no separate additional premium charge has been made for the terrorism coverage required by the Act. The premium charge that is allocable to such coverage is inseparable from and imbedded in your overall premium, and is no more than one percent of your premium.

ILT-1018 (9/04)



2005 Road Seal Project **Contract No. 2005-603** Public Works Project Identification No. DO-2005-202

ADDENDUM NUMBER ONE

The following information is hereby made a part of the Contract Documents for the 2005 Road Seal Project:

1. The specification for the oil for the chip seal has been changed. Please refer to the attached specification for PASS CR.

2. A portion of Business Parkway has been added to the project. See the attached exhibit. This street will receive a double chip seal, and contractor will pick up all excess chips on this street.

3. The chip seal limits for Granite Springs Drive and Edgewood Drive were incorrect as shown on exhibit RS-KGID-02. Please refer to the enclosed revised exhibit. The bid quantities are correct as shown.

4. Clarification on the double chip seal process - The first chip seal shall be swept the day following application. The second chip seal layer shall be applied not sooner than 48 hours after application of the first chip seal.

5. Please discard the old Bid Schedule and utilize the enclosed Bid Schedule dated 5/2/05.

6. Revised application rates for oil and aggregate for each of the roads are provided in the attached spreadsheet. These rates shall be the basis for bidding and construction. As noted on the spreadsheet, these are minimum rates. There shall be no additional payment for overruns on these quantities.

7. Contractor shall notify affected landowners (those immediately adjacent to the work) in writing two working days in advance of the start of construction. Contractor shall submit a draft notice to the County at the pre-construction meeting for review and approval.

8. Excess chips will not be delivered to the county's yard. Please delete this reference from the modified chip seal construction specification. The contractor shall be responsible for disposal of all excess chips.

9. Kingsbury General Improvement District (KGID) is in the process of sweeping all of its roads at this time. They expect to sweep all roads a second time sometime prior to award of the chip seal contract. This does not relieve the contractor of his obligation to sweep prior to chip sealing.

The date and time when bids are due has not been changed.

Dated this $2^{\frac{ND}{2}}$ day of May 2005.

Jeffrey L. Foltz, PE, Associate Civil Engineer



PASS CR® Specifications PASS MFG IN ACCORDANCE WITH UNITED STATES PATENT #5, 180, 428 AND MEETING THE FOLLOWING

Test on Emulsion	Method	PASS - CR
Viscosity @77°F (SFS)	ASTM D244	75 - 250
Residue, w%, min.	ASTM D244	67
pH	ASTM E70	2.0-5.0
Sieve, w%, max.	ASTM D244	0.1
Oil distillate, w%, max.	ASTM D244	0.5
Test on Residue (1)	X	
Viscosity @ 140°F, P, max.	ASTM D2170	2000
Penetration @ 39.2°F min.	ASTM 05	70
Modified Torsional Recovery ⁽¹⁾ , %, min. or Elastic Recovery on residue by distillation ^(2,3) , %, min.	CA332 AASHTO T59, T301	50 70
Toughness @ 77°F, N-m	ASTM - D5801	2.0
Tenacity @ 77°F, N-m	ASTM - D5801	1.0
Asphaltenes, w%, min.	ASTM D2008-70	18.0
Saturates, w%, max.	ASTM D2006-70	16.0

(1) California test method CA331 for recovery of residue. Torsional recovery measurement shall include first 30 seconds.

Exception to AASHTO T59: Bring the temperature on the lower thermometer slowly to 350° F plus or minus 10° F. Maintain at this temperature for 20 minutes. Complete total distillation in 60 plus or minus 5 minutes from first application of heat.

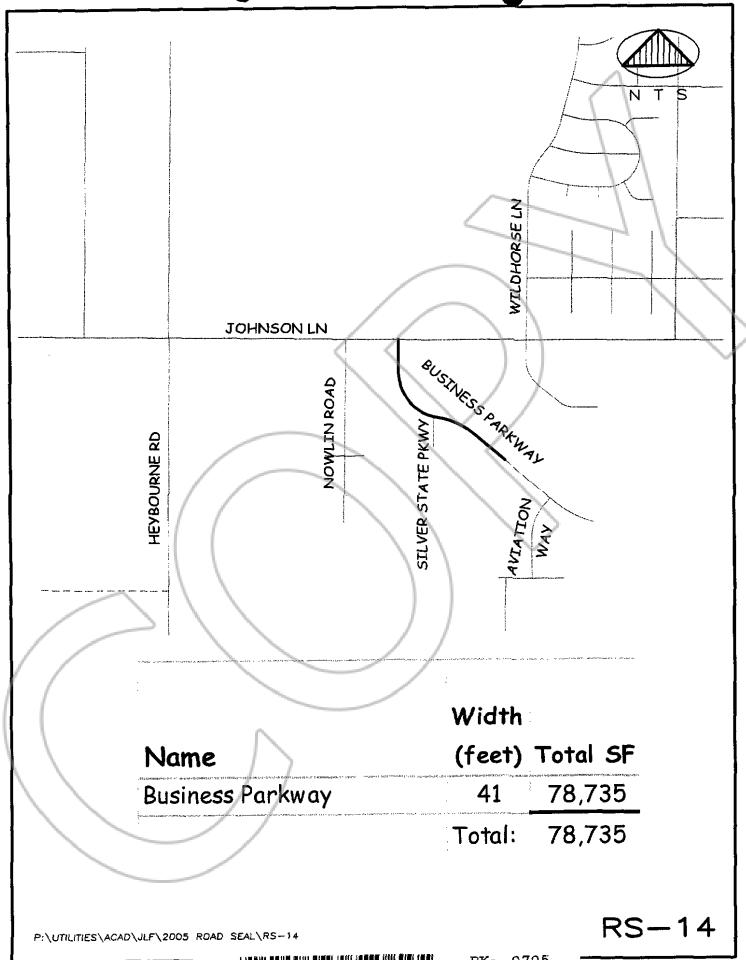
(3) Elastic Recovery @ 10° C (50° F): Hour glass sides, pull 20 cm, hold 5 minutes then cut, let sit 1 hour.

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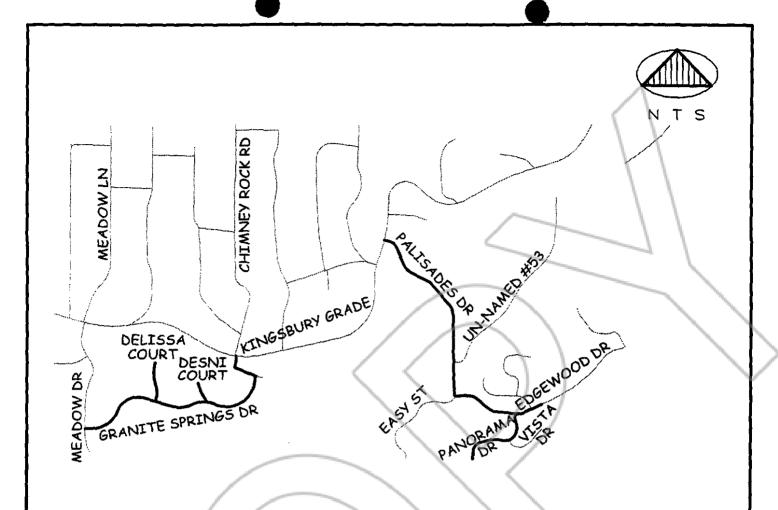
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Name	CHIP SEAL
Granite Springs Drive	61,625
Desni Court	7,230
Delissa Court	10,560
Palisades Drive	38,275
Edgewood Drive	17,750
Panorama Drive	9,375
Total:	144,815

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RS-KGID-02



BK- 0705 PG- 1833 07/06/2005

BID SCHEDULE

2005 Road Seal Project

BID ITEM NO.	DESCRIPTION	ESTIMATED QUANTITY	UNIT BID PRICE	TOTAL BID PRICE
1.	Mobilization	1 LS		7+
2.	Traffic Control	1 LS		
3.	Pinenut Road to Dump Road	176,741 SF		\ \
4.	AC Patching on Pinenut Road	3,105 SF	\	
5.	Dump Road	16,238 SF	-\	
6.	Buckeye Road, 395 to Bougainvillea -pick up chips	122,513 SF		
7.	Hyde Street	40,641 SF	/	
8.	Lena Court	21,916 SF		
9.	Toni Court	74,158 SF	_	
10.	Erin Court	14,694 SF		
11.	East Valley Fd. from Stephanie north	60,825 SF	<u></u>	
12.	Lindsay Lane	39,240 SF		
13.	High Point Court	12,244 SF		
14.	West High Point Court	35,654 SF		
15.	Gloria Way	32,763 SF		· · · · · · · · · · · · · · · · · · ·
16.	Steve Court	11,498 SF		
17.	Saratoga Court	15,316 SF		
18.	Pamela Place	14,877 SF		
19.	Portion of Jackie Lane	58,500 SF		
20.	Porter Drive	86,495 SF		
21.	Portion of N. and S. Santa Barbara	47,856 SF		
22.	Sonoma Court	14,024 SF		

23.	San Miguel Court	13,179 SF	1
24.	Business Parkway - Double chip, pick up chips	78,735 SF	/ —
25.	Candy Dance Lane	43,155 SF	\ -\-
26.	Elderberry Drive	6,906 SF	
27.	Valley View Drive	8,280 SF	77
28.	Granite Springs Drpick up chips	61,625 SF	
29.	Desni Court - pick up chips	7,230 SF	
30.	Delissa Court - pick up chips	10,560 SF	
31.	Palisades Drive pick up chips	38,275 SF	
32.	Edgewood Drive - pick up chips	17,750 SF	
33.	Panorama Drive - pick up chips	9,375 SF	
34.	Buchanan Road - pick up chips	30,450 SF	
35.	Tina Court(East) ~ double chip, pick up chips	31,725 SF	
36.	Ski Court - pick up chips	14,675 SF	
3 7.	Bonnie Drive – double chip, pick up chips	25,350 SF	
38.	Bigler Court – double chip, pick up chips	24,575 FT	
39.	12" stop bars	11 EA.	
40.	Crosswalk Striping	4 EA	
41.	Double yellow centerline	10,192 LF	
42.	Dashed yellow center line	2,520 LF	
43.	4" fog line	16,983 FT	
44.	8" lane line	400 FT	
45.	Turn arrows & through arrows	12 EA.	
TOTA (words	L OF BID ITEMS 1 THROUGH <u>45</u> (numb	ers) \$	

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2005 Chip Seal

			2000	Cinpo				
				MINIMU	UM application rates			
Bid		Bid		Oil	Oil	Oil	Chips	Chips
	Description	Quantity	Units	Gal/SY	Gal	TN	LBS/SY	TN
3	Pinenut Road to Dump Road	176,741	SF	0.42	8,248	34.4	30	295
	Dump Road	16,238	SF	0.40	722	3.0	29	26
	Buckeye Road, 395 to Bougainvillea - pick						/	
6	up chips	122,513	SF	0.36	4,901	20.4	26	177
	Hyde Street	40,641	SF	0.37	1,671	7.0	27	61
8	Lena Court	21,916		0.37	901	3.8	27	33
9	Toni Court	74,158		0.37	3,049	12.7	27	111
	Erin Court	14,694		0.37	604	2.5	27	22
11	East Valley Rd, from Stephanie north	60,825		0.39	2,636	11.0	28	95
	Lindsay Lane	39,240		0.38	1,657	6.9	28	61
	High Point Court	12,244		0.37	503	2.1	27	18
	West High Point Court	35,654		0.38	1,505	6.3	28	55
15	Gloria Way	32,763		0.38	1,383	5.8	28	51
	Steve Court	11,498		0.38	485	2.0	28	18
17	Saratoga Court	15,316	100	0.38	647	2.7	28	24
	Pamela Place	14,877		0.39	645	2.7	28	23
	Portion of Jackie Lane	58,550		0.39	2,537	10.6	28	91
	Porter Drive	86,495		0.39	3,748	15.6	28	135
21	Portion of N. and S. Santa Barbara	47,856		0.38	2,021	8.4	28	74
22	Sonoma Court	14,024		0.38	592	2.5	28	22
23	San Miguel Court	13,179		0.38	556	2.3	28	21
23	Business Parkway - first chip, pick up	10,110	-					
04	chips	78,735	SF	0.40	3,499	14.6	28	122
24	Business Parkway - second chip, pick up	70,750	 •	1	1			
		78,735	SF	0.36	3,149	13.1	26	114
25	Candy Dance Lane	43,155		0.40	1,918	8.0	29	70
	Elderberry Drive	6,906		0.40	307	1.3	29	11
26	Valley View Drive	8,280		0.40	368	1.5	29	13
27	Canada Sadaga Dalva pick up chins	61,625		0.38	2,602	10.8	28	96
28	Granite Springs Drive - pick up chips	7,230		0.38	305	1.3	28	11
29	Desni Court - pick up chips	10,560		0.38	446	1.9	28	16
30	Delissa Court - pick up chips	38,275		0.38	1,616	6.7	28	60
31	Palisades Drive - pick up chips	17,750		0.38	749	3.1	28	28
32	Edgewood Drive - pick up chips	9,375		0.38	396	1.6	28	15
33	Panorama Drive - pick up chips	30,450		0.38	1,286	5.4	28	47
34	Buchanan Road - pick up chips	30,450	35	0.30	1,200_	3.7	20	
r	Tina Court (East) - First chip, pick up	24 725	SF	0.40	1,410	5.9	28	49
_35	chips	31,725	or or	0.40	1,410	5.5	 _	
	Tina Court (East) - Second chip, pick up	24 725		0.36	1,269	5.3	26	46
	chips	31,725			620	2.6	28	23
36	Ski Court - pick up chips	14,675		0.38	<u> </u>		28	39
37	Bonnie Drive - First chip, pick up chips	25,350	SF	0.40	1,127	4.7	20	1 33
١.	l	0.000		0.00	1 044	4.2	26	37
	Bonnie Drive - Second chip, pick up chips	25,350	SF	0.36	1,014	4.2	20	
- 1	/ .)		.		4.000	٠, ١	20	38
38	Bigler Court - First chip, pick up chips	24,575	SF	0.40	1,092	4.6	28	1 30
.	N	1	.	0.00	000		26	35
1	Bigler Court - Second chip, pick up chips	24,575	SF_	0.36	983	4.1	40	2,248
- N.	TOTAL CONTRACT		<u> </u>	<u> </u>	62,184	162.5	<u> </u>	2,240

2005 Road Seal Project Contract No. 2005-603 Public Works Project Identification No. DO-2005-202

ADDENDUM NUMBER TWO

The following information is hereby made a part of the Contract Documents for the 2005 Road Seal Project:

- 1. The total of the oil quantities for the project should be 263.2 tons, not 162.5 tons as indicated in the spreadsheet distributed as a part of Addendum One.
- 2. The total of the chip quantities for the project should be 2,283 tons, not 2,248 tons as indicated in the spreadsheet distributed as a part of Addendum One.

The date and time when bids are due has not been changed.

Dated this 10 day of May 2005.

Jeffrey L. Foltz, PE, Associate Civil Engineer



CERTIFIED COPY

The document to which this certificate is attached is a full, true and correct copy of the original on file and on record in my office

Judicial District Court

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Addendum2chip.doc