

DOC # 0753272  
11/03/2009 02:56 PM Deputy: GB

**OFFICIAL RECORD**

Requested By:

DC/COMMUNITY DEVELOPMENT

Assessor's Parcel Number:     N/A    

Date:     NOVEMBER 3, 2009    

Recording Requested By: \_\_\_\_\_

Douglas County - NV  
Karen Ellison - Recorder

Page: 1 Of 28 Fee: 0.00  
BK-1109 PG- 738 RPTT: 0.00



Name:     LYNDA TEGLIA, COMMUNITY DEVELOPMENT    

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Real Property Transfer Tax: \$     N/A    

    AGREEMENT #2009.298    

(Title of Document)

FILED

NO. 2009.298

2009 NOV -3 PM 2:43

**AGREEMENT  
BETWEEN  
DOUGLAS COUNTY, NEVADA  
AND  
APCO Construction Company**

TED THUAN  
CLERK

*[Signature]*  
DEPUTY

Whereas, Douglas County Nevada (hereinafter OWNER) is a political subdivision of the State of Nevada, and is statutorily authorized to enter into contracts for construction projects, and;

Whereas **APCO Construction Company** (hereinafter CONTRACTOR) is a construction company licensed as a general contractor in Nevada, and;

Whereas CONTRACTOR has submitted a bid in accord with the **Douglas County Jail Expansion Project** Construction Specifications and Contract Documents (hereinafter Contract Documents) as prepared by OWNER, and;

Whereas, CONTRACTOR submitted a responsive and responsible Bid in the amount of **\$3,738,600.00** for the **Douglas County Jail Expansion Project, Base Bid one and additive alternates one-four** as outlined in the Contract Documents.

Now therefore, it is the intention of the OWNER and CONTRACTOR to enter into an Agreement to have CONTRACTOR complete all of the work as specified or indicated in the Contract Documents.

**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 **Expansion to existing jail facility including booking, intake, sally port, administrative offices, and kitchen expansion and site improvements**

**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 **Expansion to existing jail facility including booking, intake, sally port, administrative offices, and kitchen expansion and site improvements**

**ARTICLE 3 - ENGINEER**

3.01 The Project has been designed by:  
***Eissmann Pence Architecture/Landscape Architecture Ltd.  
1650 Highway 395 Suite 101 B  
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**

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PG- 739  
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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 *Days to Achieve Substantial Completion and Final Payment*

A. The Work will be substantially completed within **240 days** after the date when the Contract Times commence to run as provided in paragraph 2.03 of the General Conditions, and completed and ready for final payment in accordance with paragraph 14.07 of the General Conditions within **270 days** after the date when the Contract Times commence to run.

4.03 *Liquidated Damages*

A. 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.

B. 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**

5.01 OWNER shall pay CONTRACTOR for completion of the Work in accordance with the Contract Documents an amount in current funds equal to the sum of the amounts determined below:

A. 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;

B. as provided in paragraph 11.03 of the General Conditions estimated quantities are 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

### 6.01 *Submittal and Processing of Payments*

A. 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.

### 6.02 *Progress Payments; Retainage*

A. 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:

1. 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:

a. 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

b. 90% of cost of materials and equipment not incorporated in the Work (with the balance being retainage).

2. 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 General Conditions and less 100 % of Engineer's estimate of the value of Work to be 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*

A. 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

7.01 All moneys not paid when due as provided in Article 14 of the General Conditions shall bear interest at the rate that was in place at the time of the execution of the project. The interest rate shall be determined by the interest rate paid by Bank of America, Minden branch on a certificate of deposit time deposit.

**ARTICLE 8 - CONTRACTOR'S REPRESENTATIONS**

8.01 In order to induce OWNER to enter into this Agreement CONTRACTOR makes the following representations:

A. CONTRACTOR has examined and carefully studied the Contract Documents and the other related data identified in the Bidding Documents.

B. 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.

C. 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.

D. 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.

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 additional or supplementary 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.

***NOTE: if the reports and/or drawings referred to in A-8.01.D do not exist, delete the phrase "additional or supplementary" in the first sentence of A-8.01.E.***

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 8, inclusive);
- 2. Performance Bond (pages 1 to 6, inclusive);
- 3. Payment Bonds (pages 1 to 6, inclusive);
- 4. Other Bonds (pages 0 to 0, inclusive); Not Applicable
  - a. 0 (pages \_\_\_\_\_ to \_\_\_\_\_, inclusive);
  - b. 0 (pages \_\_\_\_\_ to \_\_\_\_\_, inclusive);
  - c. 0 (pages \_\_\_\_\_ to \_\_\_\_\_, inclusive);
- 5. General Conditions (pages 1 to 46, inclusive, not attached);
- 6. Supplementary Conditions (pages SC-1 to SC-20, inclusive, not attached);
- 7. Specifications as listed in table of contents of the Project Manual (not attached);
- 8. Undated Bid Drawings (not attached) consisting of a cover sheet and sheets numbered A0.0 through ES-3.3, inclusive with each sheet bearing the following general title Douglas County Jail Expansion;
- 9. Addenda (numbers 1 to 5, inclusive);
- 10. Exhibits to this Agreement (enumerated as follows):
  - a. Notice to Proceed (pages 1 to 2 inclusive, not attached)
  - b. CONTRACTOR's Bid (pages BF-1 to BF-28, inclusive, not attached).
  - c. Documentation submitted by CONTRACTOR prior to Notice of Award (pages 0 to 0, inclusive, not attached).N.A.
- 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," 2007 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.

10.03 *Successors and Assigns*

A. 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 Documents.

10.04 *Severability*

A. 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 *Legal*

A. In the event that there is any litigation relative to the interpretation or enforcement of this Agreement or any of the Contract Documents, any such matter must be litigated in the Ninth Judicial District Court of Nevada.

10.06 Notices

A. All notices, documents and or payments regarding this Agreement and Contract shall be sent to the following:

OWNER

Scott McCullough

Douglas County

POB 218 Minden NV 89423

(775) 782-6219

CONTRACTOR

Randy Nickerl

APCO Construction

3432 N Las Vegas NV 89032

(702) 734-0198

10.07 Effective Date of the Agreement

A. Both OWNER and CONTRACTOR agree that this Agreement and Contract as outlined in the Contract Documents become effective immediately upon the signing of this Agreement by both parties.

IN WITNESS WHEREOF, OWNER and CONTRACTOR have caused this Agreement for the Do. Co. Jail Expansion to be executed and intend to be bound by the provisions of this Agreement as well as the Contract set forth in the Contract Documents.

Dated this 1st day of Oct, 2009.

DOUGLAS COUNTY, NEVADA - OWNER

Nancy McDermid

Nancy McDermid, Chairman

Board of County Commissioners

On authority with and on behalf of the Douglas County Board of County Commissioners

STATE OF NEVADA )  
 )SS.  
COUNTY OF DOUGLAS)

One the 1st day of Oct, 2009, Nancy McDermid, Chairman of the Douglas County Board of Commissioners, personally appeared before me, Theodore Thran, Douglas County Clerk, and acknowledged to me that, in conformance with the direction of the Board of Douglas County Commissioners' meeting of 10-1-09, he executed the above instrument on behalf of Douglas County, a political subdivision of the State of Nevada.

Theodore Thran  
Theodore Thran, Douglas County Clerk

by Carol M. [Signature]  
DEPUTY CLERK



Dated 16th day of October, 2009.

Randy Nickert

Randy Nickert  
Division Manager

On authority with and on behalf of

APCO Construction

STATE OF NEVADA )  
 ) SS:  
COUNTY OF \_\_\_\_\_ )

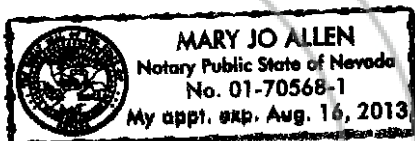
On this 16th day of October, in the year 2009 before me,  
MARY JO ALLEN / Notary Public, personally known to me (or proved to me on the  
basis of satisfactory evidence) to be the person(s) whose name(s) is (are) subscribed to this  
instrument, and acknowledge that he (she/they) executed it.

WITNESS my hand and official seal.

Mary Jo Allen

My Commission Expires: 8/16/2013

Notary's Signature



Bond No. 6583572

### CONSTRUCTION PERFORMANCE BOND

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

**CONTRACTOR (Name and Address):**

APCO Construction  
3432 North 5th Street  
North Las Vegas, NV 89032

**SURETY (Name and Address of Principal Place of Business):**

Safeco Insurance Company of America  
330 North Brand Boulevard  
Suite 680  
Glendale, CA 91203

**OWNER (Name and Address):**

Douglas County Nevada  
PO Box 218  
Minden, NV 89423

**CONSTRUCTION CONTRACT**

Date: October 8, 2009

Amount: \$3,738,600.00

**Description (Name and Location):**

Douglas County Jail Expansion Project, 1625 8th Water Street, Minden, NV 89423  
Project No. PWP# DO 2009-131

**BOND**

Date (Not earlier than Construction

Contract Date): October 14, 2009

Amount: \$3,738,600.00

Modifications to this Bond Form: None

Surety and Contractor, intending to be legally bound hereby, subject to the terms printed on the following two pages, do each cause this Performance Bond to be duly executed on its behalf by its authorized officer, agent or representative.

**CONTRACTOR AS PRINCIPAL**

Company: APCO Construction (Corp. Seal)

Signature: 

Name and Title: Jay N. Smith, Secretary

**SURETY**

Company: Safeco Insurance (Corp. Seal)  
Company of America

Signature: 

Name and Title: M. Scott Polley, Attorney in Fact  
(Attach Power of Attorney)

Space provided below for signatures of additional parties, if required)

**CONTRACTOR AS PRINCIPAL**

Company: \_\_\_\_\_ Corp. Seal)

Signature: \_\_\_\_\_

Name and Title: \_\_\_\_\_

**SURETY**

Company: \_\_\_\_\_ (Corp. Seal)

Signature: \_\_\_\_\_

Name and Title: \_\_\_\_\_  
(Attach Power of Attorney)

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:

3.1 The OWNER has notified the 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

3.2 The OWNER has declared a CONTRACTOR 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

3.3 The OWNER has agreed to pay the Balance 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.

4. 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:

4.1 Arrange for the CONTRACTOR, with consent of the OWNER, to perform and complete the Construction Contract; or

4.2 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

4.4 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:

6.1 The responsibilities of the CONTRACTOR for correction of defective work and completion of the Construction Contract;

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 nonperformance 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.

COPY

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POWER OF ATTORNEY

Safeco Insurance Company of America
General Insurance Company of America
1001 4th Avenue
Suite 1700
Seattle, WA 98154

No. 13329

KNOW ALL BY THESE PRESENTS:

That SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA, each a Washington corporation, does each hereby appoint

\*\*\*\*\*CHARLES E. DORSEY; KREG KOEHLER; M. SCOTT POLLEY; Las Vegas, Nevada\*\*\*\*\*

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and attested these presents

this 21st day of March 2009

Dexter R. Legg

T. A. Mikolajewski

Dexter R. Legg, Secretary

Timothy A. Mikolajewski, Vice President

CERTIFICATE

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. - FIDELITY AND SURETY BONDS ... the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business...

Extract from a Resolution of the Board of Directors of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA, adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
(ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
(iii) Certifying that said power-of-attorney appointment is in full force and effect,
the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Dexter R. Legg, Secretary of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 14th day of October 2009



Dexter R. Legg

Dexter R. Legg, Secretary

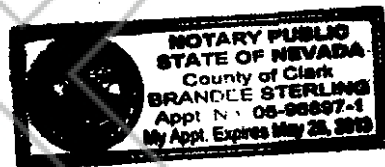
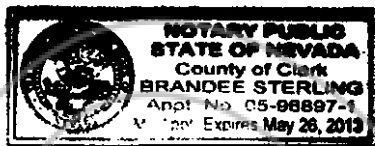


## ATTORNEY-IN-FACT ACKNOWLEDGMENT

State of Nevada  
County of Clark

This instrument was acknowledged before me on October 14, 2009  
by M. Scott Polley as attorney-in-fact for Safeco Insurance  
Company of America.

Signature \_\_\_\_\_



Bond No. 6583572

### CONSTRUCTION PAYMENT BOND

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

**CONTRACTOR (Name and Address):**

APCO Construction  
3432 North 5th Street  
North Las Vegas, NV 89032

**SURETY (Name and Address of Principal Place of Business):**

Safeco Insurance Company of America  
330 North Brand Boulevard  
Suite 680  
Glendale, CA 91203

**OWNER (Name and Address):**

Douglas County Nevada  
PO Box 218  
Minden, NV 89423

**CONSTRUCTION CONTRACT**

Date: October 8, 2009  
Amount: \$3,738,600.00  
Description (Name and Location):  
Douglas County Jail Expansion Project, 1625 8th Water Street, Minden, NV 89423  
Project No. PWP# DO 2009-131

**BOND**

Date (Not earlier than Construction Contract Date): October 14, 2009  
Amount: \$3,738,600.00  
Modifications to this Bond Form: None

Surety and Contractor, intending to be legally bound hereby, subject to the terms printed on the following two pages, do each cause this Performance Bond to be duly executed on its behalf by its authorized officer, agent or representative.

**CONTRACTOR AS PRINCIPAL**

Company: APCO Construction (Corp. Seal)

Signature: [Signature]

Name and Title: Jay N. Smith, Secretary

**SURETY**

Company: Safeco Insurance (Corp. Seal)  
Company of America

Signature: [Signature]

Name and Title: M. Scott Polley, Attorney-in-Fact  
(Attach Power of Attorney)

Space provided below for signatures of additional parties, if required)

**CONTRACTOR AS PRINCIPAL**

Company: \_\_\_\_\_ (Corp. Seal)

Signature: \_\_\_\_\_

Name and Title: \_\_\_\_\_

**SURETY**

Company: \_\_\_\_\_ (Corp. Seal)

Signature: \_\_\_\_\_

Name and Title: \_\_\_\_\_  
(Attach Power of Attorney)

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.

3. 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 the 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 from the date (1) on which the Claimant gave the notice required by paragraph 4.1 or paragraph 4.2.3, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. 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.

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.

COPY

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POWER OF ATTORNEY

Safeco Insurance Company of America  
General Insurance Company of America  
1001 4th Avenue  
Suite 1700  
Seattle, WA 98154

No. 13329

KNOW ALL BY THESE PRESENTS:

That SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA, each a Washington corporation, does each hereby appoint

\*\*\*\*\*CHARLES E. DORSEY; KREG KOEHLER; M. SCOTT POLLEY; Las Vegas, Nevada\*\*\*\*\*

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and attested these presents

this 21st day of March 2009

*Dexter R. Legg*

*T. Mikolajewski*

Dexter R. Legg, Secretary

Timothy A. Mikolajewski, Vice President

CERTIFICATE

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. - FIDELITY AND SURETY BONDS ... the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business... On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
  - (ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
  - (iii) Certifying that said power-of-attorney appointment is in full force and effect,
- the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Dexter R. Legg, Secretary of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 14th day of October 2009



*Dexter R. Legg*


Dexter R. Legg, Secretary

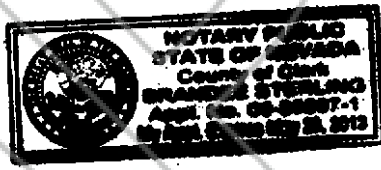


**ATTORNEY-IN-FACT ACKNOWLEDGMENT**

State of Nevada  
County of Clark

This instrument was acknowledged before me on October 14, 2009  
by M. Scott Polley as attorney-in-fact for Safeco Insurance  
Company of America.

Signature 



<b>ACORD™ CERTIFICATE OF LIABILITY INSURANCE</b>		DATE (MM/DD/YYYY) 10/15/09
PRODUCER LIC 1-702-386-6797 Wells Fargo Insurance Services Of NV, Inc.  1707 Village Center Circle Suites 200 Las Vegas, NV 89134	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED APCO Construction  3432 5th Street  North Las Vegas, NV 89032	<b>INSURERS AFFORDING COVERAGE</b>	<b>NAIC #</b>
	INSURER A: Liberty Mut Fire Ins Co	23035
	INSURER B: Liberty Mutual Fire Insurance Company	23035
	INSURER C: FIREMANS FUND INS CO AXV	21873
	INSURER D:	
	INSURER E:	

**COVERAGES**

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

INSR/ADD'L LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY	TB2661065026019	06/01/09	06/01/10	EACH OCCURRENCE \$1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC				DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000
B	AUTOMOBILE LIABILITY	AS2661065026029	06/01/09	06/01/10	COMBINED SINGLE LIMIT (Ea accident) \$2,000,000
	<input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS				BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
	EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATUTORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
C	OTHER Builders Risk	MXI93011133	10/14/09	10/14/10	All Risk 3,738,600 Earthquake Included Deductible 50,000

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS**

Re: Douglas County Jail Expansion Project PWP-DO-2009-131  
 Douglas County Nevada, Eissmann-Pence, their officers, directors, partners, employees, agents are named additional insureds as required by written contract as respects above mentioned project per attached endorsements.

**CERTIFICATE HOLDER**

Douglas County Nevada  
  
 PO Box 218  
  
 Minden, NV 89423  
  
 USA

**CANCELLATION 10 days for non payment**

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

AUTHORIZED REPRESENTATIVE *[Signature]*



### IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

### DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.



ADDITIONAL INSURED

IT IS AGREED THAT SUCH INSURANCE AS IS AFFORDED BY THE POLICY FOR BODILY INJURY LIABILITY AND FOR PROPERTY DAMAGE LIABILITY ALSO APPLIES TO THE PERSON OR ORGANIZATION NAMES BELOW, AS AN ADDITIONAL INSURED, WITH RESPECT TO THE USE OF THE AUTOMOBILE BY THE NAMED INSURED OR WITH HIS PERMISSION, BUT SUCH INCLUSION OF AN ADDITIONAL INSURED SHALL NO OPERATE TO INCREASE THE LITS OF THE COMPANY'S LIABILITY.

ADDITIONAL INSURED  
Blanket As Required By Written Contract

ADDRESS

This endorsement is executed by the LIBERTY MUTUAL FIRE INSURANCE COMPANY

Premium \$  
Effective Date 6/1/09 Expiration Date 6/1/10  
For attachment to Policy No. AS2-661-065026-029  
Audit Basis  
Issued To

APCO Construction Company  
3432 North 5th Street  
N. Las Vegas, NV 89032

Authorized by

Authorized Representative

Printed

Policy Office and No.

Ref. Label No. 0021

2682A

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
TRUCKERS COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

**SCHEDULE**

Name of Person or Organization : See Attached Schedule

The TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US condition is amended by the addition of the following:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your operations of a covered auto done under contract with that person or organization. This waiver applies only to the person or organization shown in the Schedule above.

Policy No: AS2-661-065026-029  
Effective Date: 8/1/09  
Expiration Date: 8/1/10  
Sales Office:

Issued By: Liberty Mutual Fire Insurance Company

*[Handwritten Signature]*  
Endt Serial No.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SECTION II - WHO IS AN INSURED is amended to include as an insured any person or organization for whom you have agreed in writing to provide liability insurance. But:

The insurance provided by this amendment:

1. Applies only to "bodily injury" or "property damage" arising out of (a) "your work" or (b) premises or other property owned by or rented to you;
2. Applies only to coverage and minimum limits of insurance required by the written agreement, but in no event exceeds either the scope of coverage or the limits of insurance provided by this policy; and
3. Does not apply to any person or organization for whom you have procured separate liability insurance while such insurance is in effect, regardless of whether the scope of coverage or limits of insurance of this policy exceed those of such other insurance or whether such other insurance is valid and collectible.

The following provisions also apply:

1. Where the applicable written agreement requires the insured to provide liability insurance on a primary, excess, contingent, or any other basis, this policy will apply solely on the basis required by such written agreement and Item 4. Other Insurance of SECTION IV of this policy will not apply.
2. Where the applicable written agreement does not specify on what basis the liability insurance will apply, the provisions of Item 4. Other Insurance of SECTION IV of this policy will govern.
3. This endorsement shall not apply to any person or organization for any "bodily injury" or "property damage" if any other additional insured endorsement on this policy applies to that person or organization with regard to the "bodily injury" or "property damage".
4. If any other additional insured endorsement applies to any person or organization and you are obligated under a written agreement to provide liability insurance on a primary, excess, contingent, or any other basis for that additional insured, this policy will apply solely on the basis required by such written agreement and Item 4. Other Insurance of SECTION IV of this policy will not apply, regardless of whether the person or organization has available other valid and collectible insurance. If the applicable written agreement does not specify on what basis the liability insurance will apply, the provisions of Item 4. Other Insurance of SECTION IV of this policy will govern.

This endorsement is executed by the LIBERTY MUTUAL FIRE INSURANCE COMPANY

Premium \$ N/A  
 Effective Date 6/1/09 Expiration Date 6/1/10  
 For attachment to Policy No. TB2-661-065026-019  
 Audit Basis

Issued To APCO Construction  
 3432 North 5th Street  
 N. Las Vegas, NV 89032

*Dexter B. Legg* SECRETARY  
*Edward F. Kelly* PRESIDENT

Countersigned by

*[Signature]*  
 Authorized Representative

Issued

Sales Office and No.

End. Serial No.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART  
SCHEDULE**

**Name of Person or Organization:** Any person or organization with whom you have agreed in writing to waive any right of recovery prior to a loss

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

The TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US Conditions (Section IV - COMMERCIAL GENERAL LIABILITY CONDITIONS) is amended by the addition of the following"

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

This endorsement is executed by the LIBERTY MUTUAL FIRE INSURANCE COMPANY

Premium \$ N/A  
Effective Date 6/1/09 Expiration Date 6/1/10  
For attachment to Policy No. TB2-661-065026-019  
Audit Basis

Issued To APCO Construction  
3432 North 5<sup>th</sup> Street  
N. Las Vegas, NV 89032

*Dexter R. Legg*  
SECRETARY

*Edmund F. Kelly*  
PRESIDENT

Countersigned by

*[Signature]*  
Authorized Representative

Issued

Sales Office and No.

End. Serial No.



COPY

**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.

DATE: Nov 3, 2009

TERA Clerk of the 9th Judicial District Court of the State of Nevada, in and for the County of Douglas.

By Chad Mullock Deputy