

CONTRACT

**32200**

THIS CONTRACT is made and entered, in duplicate, as of May 5, 2011 for reference purposes only, pursuant to a minute order adopted by the City Council of the City of Long Beach at its meeting held on May 3, 2011, by and between INTERMOUNTAIN SLURRY SEAL, INC., a Wyoming corporation ("Contractor"), whose address is 585 Beach Street, Watsonville, California 95076, and the CITY OF LONG BEACH, a municipal corporation ("City").

WHEREAS, pursuant to a "Notice Inviting Bids for Cape Seal – 1<sup>st</sup> Street from Junipero Avenue to Orizaba Avenue; Josie Avenue from Rendina Street to DeLeon Street; and Anaheim Road from Clark Avenue to El Prado Avenue in the City of Long Beach, California," dated March 29, 2011, and published by City, bids were received, publicly opened and declared on the date specified in said Notice; and

WHEREAS, the City Manager accepted the bid of Contractor; and

WHEREAS, the City Council authorized the City Manager to enter a contract with Contractor for the work described in Project Plans and Specifications No. R-6880;

NOW, THEREFORE, in consideration of the mutual terms and conditions herein, the parties agree as follows:

1. SCOPE OF WORK. Contractor shall furnish all necessary labor, supervision, tools, materials, supplies, appliances, equipment and transportation for the work described in "Project Plans and Specifications No. R-6880 for Cape Seal – 1<sup>st</sup> Street from Junipero Avenue to Orizaba Avenue; Josie Avenue from Rendina Street to DeLeon Street; and Anaheim Road from Clark Avenue to El Prado Avenue in the City of Long Beach, California," said work to be performed according to the Contract Documents identified below. However, this Contract is intended to provide to City complete and finished work and, to that end, Contractor shall do everything necessary to complete the work, whether or not specifically described in the Contract Documents.

1                   2.     PRICE AND PAYMENT.

2                   A.     City shall pay to Contractor the amount(s) for materials and  
3 work identified in Contractor's "Bid for Cape Seal – 1<sup>st</sup> Street from Junipero  
4 Avenue to Orizaba Avenue; Josie Avenue from Rendina Street to DeLeon Street;  
5 and Anaheim Road from Clark Avenue to El Prado Avenue in the City of Long  
6 Beach, California," attached hereto as Exhibit "A".

7                   B.     Contractor shall submit requests for progress payments and  
8 City will make payments in due course of payments in accordance with Section 9  
9 of the Standard Specifications for Public Works Construction (latest edition).

10                   3.     CONTRACT DOCUMENTS.

11                   A.     The Contract Documents include: The Notice Inviting Bids,  
12 Project Plans and Specifications No. R-6880 (which may include by reference the  
13 Standard Specifications for Public Works Construction, latest edition, and any  
14 supplements thereto, collectively the "Standard Specifications"); the City of Long  
15 Beach Standard Plans; the California Code of Regulations; the various Uniform  
16 Codes applicable to trades; the prevailing wage rates; Instructions to Bidders; the  
17 Bid; the bid security; the City of Long Beach Disadvantaged, Minority and Women-  
18 Owned Business Enterprise Program; this Contract and all documents attached  
19 hereto or referenced herein including but not limited to insurance; Bond for Faithful  
20 Performance; Payment Bond; Notice to Proceed; Notice of Completion; any  
21 addenda or change orders issued in accordance with the Standard Specifications;  
22 any permits required and issued for the work; approved final design drawings and  
23 documents; and the Information Sheet. These Contract Documents are  
24 incorporated herein by the above reference and form a part of this Contract.

25                   B.     Notwithstanding Section 2-5.2 of the Standard Specifications,  
26 if any conflict or inconsistency exists or develops among or between Contract  
27 Documents, the following priority shall govern: 1) Permit(s) from other public  
28 agencies; 2) Change Orders; 3) this Contract (including any and all amendments

1 hereto); 4) Addenda (which shall include written clarifications, corrections and  
2 changes to the bid documents and other types of written notices issued prior to bid  
3 opening; 5) Project Specifications; 6) Project Plans (including drawings); 7) the  
4 City of Long Beach Standard Plans; 8) Standard Specifications (as identified in  
5 Section 3.A. hereof, the "Greenbook"); 9) other reference specifications; 10)  
6 other reference plans; 11) the bid; and 12) the Notice Inviting Bids.

7 4. TIME FOR CONTRACT. Contractor shall commence work on a date  
8 to be specified in a written "Notice to Proceed" from City and shall complete all work  
9 within twenty (20) working days thereafter, subject to strikes, lockouts and events beyond  
10 the control of Contractor. Time is of the essence hereunder. City will suffer damage if  
11 the work is not completed within the time stated, but those damages would be difficult or  
12 impractical to determine. So, Contractor shall pay to City, as liquidated damages, the  
13 amount stated in the Contract Documents.

14 5. ACCEPTANCE OF WORK NOT TO CONSTITUTE A WAIVER. The  
15 acceptance of any work or the payment of any money by City shall not operate as a  
16 waiver of any provision of any Contract Document, of any power reserved to City, or of  
17 any right to damages or indemnity hereunder. The waiver of any breach or any default  
18 hereunder shall not be deemed a waiver of any other or subsequent breach or default.

19 6. WORKERS' COMPENSATION CERTIFICATION. Concurrently  
20 herewith, Contractor shall submit certification of Workers' Compensation coverage in  
21 accordance with California Labor Code Sections 1860 and 3700, a copy of which is  
22 attached hereto as Exhibit "B".

23 7. CLAIMS FOR EXTRA WORK. No claim shall be made at any time  
24 upon City by Contractor for and on account of any extra or additional work performed or  
25 materials furnished, unless such extra or additional work or materials shall have been  
26 expressly required by the City Manager and the quantities and price thereof shall have  
27 been first agreed upon, in writing, by the parties hereto.

28 8. CLAIMS. Contractor shall, upon completion of the work, deliver

1 possession thereof to City ready for use and free and discharged from all claims for labor  
2 and materials in doing the work and shall assume and be responsible for, and shall  
3 protect, defend, indemnify and hold harmless City from and against any and all claims,  
4 demands, causes of action, liability, loss, costs or expenses for injuries to or death of  
5 persons, or damages to property, including property of City, which arises from or is  
6 connected with the performance of the work.

7 9. INSURANCE. Prior to commencement of work, and as a condition  
8 precedent to the effectiveness of this Contract, Contractor shall provide to City evidence  
9 of all insurance required in the Contract Documents.

10 In addition, Contractor shall complete and deliver to City the form  
11 ("Information Sheet") attached as Exhibit "C" and incorporated by reference, to comply  
12 with Labor Code Section 2810.

13 10. WORK DAY. Contractor shall comply with Sections 1810 through  
14 1815 of the California Labor Code regarding hours of work. Contractor shall forfeit, as a  
15 penalty to City, the sum of Twenty-five Dollars (\$25) for each worker employed by  
16 Contractor or any subcontractor for each calendar day such worker is required or  
17 permitted to work more than eight (8) hours unless that worker receives compensation in  
18 accordance with Section 1815.

19 11. PREVAILING WAGE RATES. Contractor is directed to the  
20 prevailing wage rates. Contractor shall forfeit, as a penalty to the City, Fifty Dollars (\$50)  
21 for each laborer, worker or mechanic employed for each calendar day, or portion thereof,  
22 that such laborer, worker or mechanic is paid less than the prevailing wage rates for any  
23 work done by Contractor, or any subcontractor, under this Contract.

24 12. COORDINATION WITH GOVERNMENTAL REGULATIONS.

25 A. If the work is terminated pursuant to an order of any Federal  
26 or State authority, Contractor shall accept as full and complete compensation  
27 under this Contract such amount of money as will equal the product of multiplying  
28 the Contract price stated herein by the percentage of work completed by

1 Contractor as of the date of such termination, and for which Contractor has not  
2 been paid. If the work is so terminated, the City Engineer, after consultation with  
3 Contractor, shall determine the percentage of work completed and the  
4 determination of the City Engineer shall be final.

5 B. If Contractor is prevented, in any manner, from strict  
6 compliance with the Plans and Specifications due to any Federal or State law, rule  
7 or regulation, in addition to all other rights and remedies reserved to the parties  
8 City may by resolution of the City Council suspend performance hereunder until  
9 the cause of disability is removed, extend the time for performance, make changes  
10 in the character of the work or materials, or terminate this Contract without liability  
11 to either party.

12 13. NOTICES.

13 A. Any notice required hereunder shall be in writing and  
14 personally delivered or deposited in the U.S. Postal Service, first class, postage  
15 prepaid, to Contractor at the address first stated herein, and to the City at 333  
16 West Ocean Boulevard, Long Beach, California 90802, Attn: City Manager. Notice  
17 of change of address shall be given in the same manner as stated herein for other  
18 notices. Notice shall be deemed given on the date deposited in the mail or on the  
19 date personal delivery is made, whichever first occurs.

20 B. Except for stop notices and claims made under the Labor  
21 Code, City will notify Contractor when City receives any third party claims relating  
22 to this Contract in accordance with Section 9201 of the Public Contract Code.

23 14. BONDS. Contractor shall, simultaneously with the execution of this  
24 Contract, execute and deliver to City a good and sufficient corporate surety bond, in the  
25 form attached hereto and in the amount specified therein, conditioned upon the faithful  
26 performance of this Contract by Contractor, and a good and sufficient corporate surety  
27 bond, in the form attached hereto and in the amount specified therein, conditioned upon  
28 the payment of all labor and material claims incurred in connection with this Contract.

1           15. COVENANT AGAINST ASSIGNMENT. Neither this Contract nor  
2 any of the moneys that may become due Contractor hereunder may be assigned by  
3 Contractor without the written consent of City first had and obtained, nor will City  
4 recognize any subcontractor as such, and all persons engaged in the work of  
5 construction will be considered as independent contractors or agents of Contractor and  
6 will be held directly responsible to Contractor.

7           16. CERTIFIED PAYROLL RECORDS.

8           A. Contractor shall keep and shall cause each subcontractor  
9 performing any portion of the work under this Contract to keep an accurate payroll  
10 record, showing the name, address, social security number, work classification,  
11 straight time and overtime hours worked each day and week, and the actual per  
12 diem wages paid to each journeyman, apprentice, worker, or other employee  
13 employed by Contractor or subcontractor in connection with the work, all in  
14 accordance with Division 2, Part 7, Article 2 of the California Labor Code. Such  
15 payroll records for Contractor and all subcontractors shall be certified and shall be  
16 available for inspection at all reasonable hours at the principal office of Contractor  
17 pursuant to the provisions of Section 1776 of the Labor Code. Contractor's failure  
18 to furnish such records to City in the manner provided herein for notices shall  
19 entitle City to withhold the penalty prescribed by law from progress payments due  
20 to Contractor.

21           B. Upon completion of the work, Contractor shall submit to the  
22 City certified payroll records for Contractor and all subcontractors performing any  
23 portion of the work under this Contract. Certified payroll records for Contractor  
24 and all subcontractors shall be maintained during the course of the work and shall  
25 be kept by Contractor for up to three (3) years after completion of the work.

26           C. The foregoing is in addition to, and not in lieu of, any other  
27 requirements or obligations established and imposed by any department of the  
28 City with regard to submission and retention of certified payroll records for

1 Contractor and subcontractors.

2 17. RESPONSIBILITY OF CONTRACTOR. Notwithstanding anything to  
3 the contrary in the Standard Specifications, Contractor shall have the responsibility, care  
4 and custody of the work. If any loss or damage occurs to the work that is not covered by  
5 collectible commercial insurance, excluding loss or damage caused by earthquake or  
6 flood or the negligence or willful misconduct of City, then Contractor shall immediately  
7 make the City whole for any such loss or pay for any damage. If Contractor fails or  
8 refuses to make the City whole or pay, then City may do so and the cost and expense of  
9 doing so shall be deducted from the amount due Contractor from City hereunder.

10 18. CONTINUATION. Termination or expiration of this Contract shall not  
11 terminate the rights or liabilities of either party which rights or liabilities accrued or existed  
12 prior to termination or expiration of this Contract.

13 19. TAXES AND TAX REPORTING.

14 A. As required by federal and state law, City is obligated to and  
15 will report the payment of compensation to Contractor on Form 1099-Misc.  
16 Contractor shall be solely responsible for payment of all federal and state taxes  
17 resulting from payments under this Contract. Contractor shall submit Contractor's  
18 Employer Identification Number (EIN), or Contractor's Social Security Number if  
19 Contractor does not have an EIN, in writing to City's Accounts Payable,  
20 Department of Financial Management. Contractor acknowledges and agrees that  
21 City has no obligation to pay Contractor until Contractor provides one of these  
22 numbers.

23 B. Contractor shall cooperate with City in all matters relating to  
24 taxation and the collection of taxes, particularly with respect to the self-accrual of  
25 use tax. Contractor shall cooperate as follows: (i) for all leases and purchases of  
26 materials, equipment, supplies, or other tangible personal property totaling over  
27 \$100,000 shipped from outside California, a qualified Contractor shall complete  
28 and submit to the appropriate governmental entity the form in Appendix "A"

1 attached hereto; and (ii) for construction contracts and subcontracts totaling  
2 \$5,000,000 or more, Contractor shall obtain a sub-permit from the California Board  
3 of Equalization for the Work site. "Qualified" means that the Contractor purchased  
4 at least \$500,000 in tangible personal property that was subject to sales or use tax  
5 in the previous calendar year.

6 C. Contractor shall create and operate a buying company, as  
7 defined in State of California Board of Equalization Regulation 1699, subpart (h),  
8 in City if Contractor will purchase over \$10,000 in tangible personal property  
9 subject to California sales and use tax.

10 D. In completing the form and obtaining the permit(s), Contractor  
11 shall use the address of the Work site as its business address and may use any  
12 address for its mailing address. Copies of the form and permit(s) shall also be  
13 delivered to the City Engineer. The form must be submitted and the permit(s)  
14 obtained as soon as Contractor receives a Notice to Proceed. Contractor shall not  
15 order any materials or equipment over \$100,000 from vendors outside California  
16 until the form is submitted and the permit(s) obtained and, if Contractor does so, it  
17 shall be a material breach of this Contract. In addition, Contractor shall make all  
18 purchases from the Long Beach sales office of its vendors if those vendors have a  
19 Long Beach office and all purchases made by Contractor under this Contract  
20 which are subject to use tax of \$500,000 or more shall be allocated to the City of  
21 Long Beach. Contractor shall require the same cooperation with City, with regards  
22 to subsections B, C and D under this section (including forms and permits), from  
23 its subcontractors and any other subcontractors who work directly or indirectly  
24 under the overall authority of this Contract.

25 E. Contractor shall not be entitled to and by signing this Contract  
26 waives any claim or damages for delay against City if Contractor does not timely  
27 submit these forms to the appropriate governmental entity. Contractor may  
28 contact the City Controller at (562) 570-6450 for assistance with the form.



1           20.    ADVERTISING. Contractor shall not use the name of City, its  
2 officials or employees in any advertising or solicitation for business, nor as a reference,  
3 without the prior approval of the City Manager, City Engineer or designee.

4           21.    AUDIT. If payment of any part of the consideration for this Contract  
5 is made with federal, state or county funds and a condition to the use of those funds by  
6 City is a requirement that City render an accounting or otherwise account for said funds,  
7 then City shall have the right at all reasonable times to examine, audit, inspect, review,  
8 extract information from, and copy all books, records, accounts and other information  
9 relating to this Contract.

10          22.    NO PECULIAR RISK. Contractor acknowledges and agrees that the  
11 work to be performed hereunder does not constitute a peculiar risk of bodily harm and  
12 that no special precautions are required to perform said work.

13          23.    THIRD PARTY BENEFICIARY. This Contract is intended by the  
14 parties to benefit themselves only and is not in any way intended or designed to or  
15 entered for the purpose of creating any benefit or right of any kind for any person or entity  
16 that is not a party to this Contract.

17          24.    SUBCONTRACTORS. Contractor agrees to and shall bind every  
18 subcontractor to the terms of this Contract; provided, however, that nothing herein shall  
19 create any obligation on the part of City to pay any subcontractor except in accordance  
20 with a court order in an action to foreclose a stop notice. Failure of Contractor to comply  
21 with this Section shall be deemed a material breach of this Contract. A list of  
22 subcontractor(s) submitted by Contractor in compliance with Public Contract Code  
23 Sections 4100 et seq. is attached hereto as Exhibit "D" and incorporated herein by this  
24 reference.

25          25.    NO DUTY TO INSPECT. No language in this Contract shall create  
26 and City shall not have any duty to inspect, correct, warn of or investigate any condition  
27 arising from Contractor's work hereunder, or to insure compliance with laws, rules or  
28 regulations relating to said work. If City does inspect or investigate, the results thereof

1 shall not be deemed compliance with or a waiver of any requirements of the Contract  
2 Documents.

3 26. GOVERNING LAW. This Contract shall be governed by and  
4 construed pursuant to the laws of the State of California (except those provisions of  
5 California law pertaining to conflicts of laws).

6 27. INTEGRATION. This Contract, including the Contract Documents  
7 identified in Section 3 hereof, constitutes the entire understanding between the parties  
8 and supersedes all other agreements, oral or written, with respect to the subject matter  
9 herein.

10 28. COSTS. If there is any legal proceeding between the parties to  
11 enforce or interpret this Contract or to protect or establish any rights or remedies  
12 hereunder, the prevailing party shall be entitled to its costs, including reasonable  
13 attorney's fees.

14 29. NONDISCRIMINATION. In connection with performance of this  
15 Contract and subject to federal laws, rules and regulations, Contractor shall not  
16 discriminate in employment or in the performance of this Contract on the basis of race,  
17 religion, national origin, color, age, sex, sexual orientation, gender identity, AIDS, HIV  
18 status, handicap or disability. It is the policy of the City to encourage the participation of  
19 Disadvantaged, Minority and Women-Owned Business Enterprises, and the City  
20 encourages Contractor to use its best efforts to carry out this policy in the award of all  
21 subcontracts.

22 30. EQUAL BENEFITS ORDINANCE. Unless otherwise exempted in  
23 accordance with the provisions of the Ordinance, this Contract is subject to the applicable  
24 provisions of the Equal Benefits Ordinance ("EBO"), section 2.73 et seq. of the Long  
25 Beach Municipal Code, as amended from time to time.

26 A. During the performance of this Contract, the Contractor  
27 certifies and represents that the Contractor will comply with the EBO. The  
28 Contractor agrees to post the following statement in conspicuous places at its

1 place of business available to employees and applicants for employment:

2 "During the performance of a Contract with the City of Long Beach,  
3 the Contractor will provide equal benefits to employees with spouses and its  
4 employees with domestic partners. Additional information about the City of  
5 Long Beach's Equal Benefits Ordinance may be obtained from the City of  
6 Long Beach Business Services Division at 562-570-6200."

7 B. The failure of the Contractor to comply with the EBO will be  
8 deemed to be a material breach of the Contract by the City.

9 C. If the Contractor fails to comply with the EBO, the City may  
10 cancel, terminate or suspend the Contract, in whole or in part, and monies due or  
11 to become due under the Contract may be retained by the City. The City may also  
12 pursue any and all other remedies at law or in equity for any breach.

13 D. Failure to comply with the EBO may be used as evidence  
14 against the Contractor in actions taken pursuant to the provisions of Long Beach  
15 Municipal Code 2.93 et seq., Contractor Responsibility.

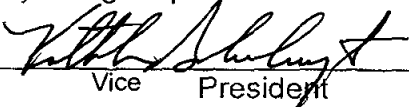
16 E. If the City determines that the Contractor has set up or used  
17 its contracting entity for the purpose of evading the intent of the EBO, the City may  
18 terminate the Contract on behalf of the City. Violation of this provision may be  
19 used as evidence against the Contractor in actions taken pursuant to the  
20 provisions of Long Beach Municipal Code section 2.93 et seq., Contractor  
21 Responsibility.

22 31. DEFAULT. Default shall include but not be limited to Contractor's  
23 failure to perform in accordance with the Plans and Specifications, failure to comply with  
24 any Contract Document, failure to pay any penalties, fines or charges assessed against  
25 Contractor by any public agency, failure to pay any charges or fees for services  
26 performed by the City, and if Contractor has substituted any security in lieu of retention,  
27 then default shall also include City's receipt of a stop notice. If default occurs and  
28 Contractor has substituted any security in lieu of retention, then in addition to City's other

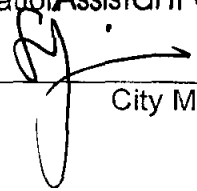
OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

1 legal remedies, City shall have the right to draw on the security in accordance with Public  
2 Contract Code Section 22300 and without further notice to Contractor. If default occurs  
3 and Contractor has not substituted any security in lieu of retention, then City shall have  
4 all legal remedies available to it.

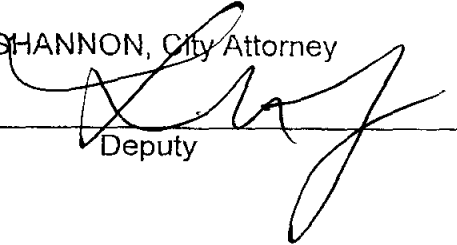
5 IN WITNESS WHEREOF, the parties have caused this document to be duly  
6 executed with all formalities required by law as of the date first stated above.

7 INTERMOUNTAIN SLURRY SEAL, INC.,  
8 a Wyoming corporation  
9 \_\_\_\_\_, 2011 By   
10 Vice President  
11 Kathleen Schreckengost  
12 Type or Print Name

13 \_\_\_\_\_, 2011 By See Attached Certificate of Secretary  
14 Secretary  
15 \_\_\_\_\_  
16 Type or Print Name

17 "Contractor"  
18 CITY OF LONG BEACH, a municipal  
19 corporation **Assistant City Manager**  
20 **EXECUTED PURSUANT**  
21 **TO SECTION 301 OF**  
22 **THE CITY CHARTER.**  
23 By   
24 City Manager

25 "City"  
26 This Contract is approved as to form on 5/25  
27 2011.

28 ROBERT E. SHANNON, City Attorney  
By   
Deputy

# INTERMOUNTAIN SLURRY SEAL, INC.

## CERTIFICATE OF SECRETARY

I, Kathleen Schreckengost, Assistant Secretary of INTERMOUNTAIN SLURRY SEAL, INC., a Wyoming corporation, do hereby certify that the following is a true and correct copy of resolutions duly adopted on December 17, 2010 by unanimous written consent and without a meeting as authorized by 17-16-821 of the Wyoming Business Corporation act and the Bylaws of the Company:

### AUTHORIZATION TO EXECUTE DOCUMENTS AND AGREEMENTS

**RESOLVED**, that, effective December 17, 2010, the below listed individuals of the Company are authorized to execute documents and agreements in connection with the operations of this Company:

Gary R. Price	President
Kathleen Schreckengost	Vice President, Treasurer & Assistant Secretary
Darren S. Beevor	Vice President, Controller & Secretary
David J. Brunton	Assistant Secretary
Cynthia P. Johnson	Assistant Secretary
Don L. Larson	Assistant Secretary

**RESOLVED FURTHER**, that, effective December 17, 2010, the below listed individuals of Granite Construction Incorporated, parent of the Company, are authorized to execute documents and agreements in connection with the operations of this Company:

James H. Roberts	President & CEO
Laurel J. Krzeminski	Vice President, CFO & Assistant Secretary
Michael F. Donnino	Senior Vice President, Group Manager & Assistant Secretary
Thomas S. Case	Vice President, Group Manager & Assistant Secretary
Jigisha Desai	Vice President, Treasurer, Assistant Financial Officer & Assistant Secretary
John A. Franich	Vice President, Group Manager & Assistant Secretary
Terry K. Eller	Vice President, General Counsel & Secretary
Kent H. Marshall	Vice President, Director of Business Development & Assistant Secretary
Jay L. McQuillen, Jr.	Vice President, Group Manager & Assistant Secretary
Scott D. Wolcott	Vice President of Land and Quarry
Thomas M. Bodeman	Director of Corporate Taxation and Assistant Secretary
Ronald L. Gatto	Controller

**RESOLVED FURTHER**, that the authority provided herein is subject to the limits of authority previously approved and the Granite Construction Incorporated Delegation of Authority and Policy then in effect.

**AUTHORIZATION TO ATTEST DOCUMENTS AND AGREEMENTS**

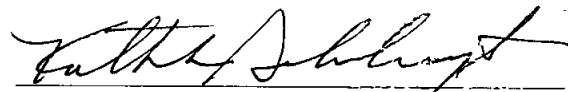
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John A. Franich	Vice President, Group Manager & Assistant Secretary
Terry K. Eller	Vice President, General Counsel & Secretary
Kent H. Marshall	Vice President, Director of Business Development & Assistant Secretary
Jay L. McQuillen, Jr.	Vice President, Group Manager & Assistant Secretary
Scott D. Wolcott	Vice President of Land and Quarry
Thomas M. Bodeman	Director of Corporate Taxation and Assistant Secretary
Ronald L. Gatto	Controller
Richard A. Watts	Assistant General Counsel, Group Counsel & Assistant Secretary
Kenneth M. Smith	Group Counsel & Assistant Secretary
Jason M. Jasper	Group Counsel & Assistant Secretary
Heather J. Lenhardt	Group Counsel & Assistant Secretary

Dated: May 3, 2011

  
Kathleen Schreckengost

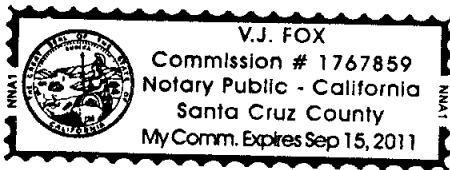
**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Santa Cruz

On May 19, 2011 before me, V.J. Fox, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Kathleen Schreckengost, Vice President  
Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Place Notary Seal Above

Signature [Handwritten Signature]  
Signature of Notary Public V.J. Fox, Notary Public

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: Contract for the City of Long Beach Cape Seal Project

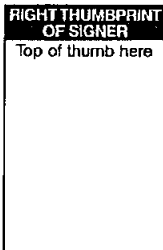
Document Date: May 19, 2011 Number of Pages: 12

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: Kathleen Schreckengost

- Individual
- Corporate Officer — Title(s): Vice President
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: Intermountain Slurry Seal, Inc.

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

**BIDDER'S NAME:** Intermountain Slurry Seal, Inc

**BID TO THE CITY OF LONG BEACH**  
**CAPE SEAL – 1ST STREET FROM JUNIPERO AVENUE TO ORIZABA AVENUE; JOSIE AVENUE FROM RENDINA STREET TO DELEON STREET; AND ANAHEIM ROAD FROM CLARK AVENUE TO EL PRADO AVENUE**

In accordance with the Notice Inviting Bids for this Work in the City of Long Beach, California, to be opened on March 29, 2011, at 10:00 a.m., we offer to furnish all necessary labor, tools, materials, appliances and equipment for and perform all Work mentioned in the Notice Inviting Bids, in full compliance with Plans & Specifications No. R-6880 at the prices listed below.

We certify that we have examined the site and that the Bid is complete. By signing the Bid, we certify that the Contractor will not submit a claim based on failure to examine the site thoroughly.

ITEM NO.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE (IN FIGURES)	ITEM TOTAL (IN FIGURES)
1.	Asphalt Rubber Aggregate Membrane (ARAM)	21,190	SY	5.60	118,664.00
2.	Type II Slurry Seal	165	ELT	404.00	66,660.00
3.	(S) Pavement Markers, Markings and Traffic Striping	1	LS	16,500.00	16,500.00
4.	<i>Temporary Traffic Control Devices</i>	1	LS	18,100.00	18,100.00

**TOTAL AMOUNT BID**      219,924.00

We understand that these quantities are estimates only and are given solely for the purpose of facilitating the comparison of Bids, and that the Contractor's compensation will be computed on the basis of the actual quantities in the completed Work.

The following information will be used for statistical analysis only.

Is the Bidder a Minority-Owned Business? NO      Which racial minority? N/A  
Is the Bidder a Women-Owned Business? NO

Where did your company first hear about this City of Long Beach Public Works project?

Ebid board




**WORKERS' COMPENSATION CERTIFICATION**

In accordance with California Labor Code Sections 1860 and 3700, I certify that I am aware of the provisions of Section 3700 which requires every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with said provisions before commencing the performance of the Work of this contract.

Contractor's Name:

Intermountain Slurry Seal, Inc.

Signature of Contractor, or a corporate officer of Contractor, or a general partner of Contractor

By   
Kathleen Schreckengost

Title: Vice President

Date: 3/29/11

**LIST OF SUBCONTRACTORS**

In accordance with the requirements provided in the "Subletting and Subcontracting Fair Practices Act" Division 2 Part 1, Chapter 4 of the California Public Contract Code, the Bidder shall set forth hereon the name and location of the place of business of each subcontractor who will perform work or labor or render service to the prime contractor in or about the construction of the work or improvement, or a subcontractor licensed by the State of California who, under subcontract to the prime contractor, specially fabricates and installs a portion of the work or improvement according to detailed drawings contained in the plans and specifications, in an amount in excess of one-half of 1 percent of the prime contractor's total bid or, in the case of bids or offers for the construction of streets or highways, including bridges, in excess of one-half of 1 percent of the prime contractor's total bid or ten thousand dollars (\$10,000), whichever is greater. The prime contractor shall set forth thereon the portion of the work (type and dollar value) that will be done by each subcontractor. The prime contractor shall list only one subcontractor for each portion as defined by the prime contractor in his or her bid. Information requested, other than the sub contractor's name and location of business and the portion of work that will be done by each subcontractor may be submitted by the prime contractor within 24 hours after the deadline for submission of bids.

Name Sterndahl Enterprises Type of Work Striping  
Address 11861 Branford St.  
City Sun Valley, CA 91352 Dollar Value of Subcontract \$ 13,750.<sup>00</sup>  
Phone No. (818) 834-8199  
License No. 421823

Name PCSI Type of Work Crack Seal  
Address 800 E. Walnut Ave  
City Fullerton, CA 92831 Dollar Value of Subcontract \$ 6,500.<sup>00</sup>  
Phone No. (714) 690-3753  
License No. A8475B

Name \_\_\_\_\_ Type of Work \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ Dollar Value of Subcontract \$ \_\_\_\_\_  
Phone No. \_\_\_\_\_  
License No. \_\_\_\_\_

Name \_\_\_\_\_ Type of Work \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ Dollar Value of Subcontract \$ \_\_\_\_\_  
Phone No. \_\_\_\_\_  
License No. \_\_\_\_\_

Name \_\_\_\_\_ Type of Work \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ Dollar Value of Subcontract \$ \_\_\_\_\_  
Phone No. \_\_\_\_\_  
License No. \_\_\_\_\_

## **APPENDIX A**

KNOW ALL MEN BY THESE PRESENTS: That we, INTERMOUNTAIN SLURRY SEAL, INC., a Wyoming corporation, as PRINCIPAL, and Federal Insurance Company\*, located at 15 Mt. View Road, Warren, NJ 07059, a corporation, incorporated under the laws of the State of Indiana\*\*

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, said Principal has been awarded and is about to enter the annexed contract (incorporated herein by this reference) with said City of Long Beach for the Cape Seal - 1" Street from Junipero Avenue to Orizaba Avenue; Josie Avenue from Rendina Street to DeLeon Street; and Anaheim Road from Clark Avenue to El Prado Avenue is required by law and by said City to give this bond in connection with the execution of said contract;

NOW, THEREFORE, if said Principal, as Contractor of said contract, or any subcontractor of said Principal, fails to pay for any materials, provisions, equipment, or other supplies, used in upon, for or about the performance of the work contracted to be done, or for any work or labor done thereon, of any kind, or for amounts due under the Unemployment Insurance Act, during the original term of said contract and any extensions thereof, and during the life of any guaranty required under the contract, or shall fail to pay for any materials, provisions, equipment, or other supplies, used in, upon, for or about the performance of the work to be done under any authorized modifications of said contract that may hereafter be made, or for any work or labor done of any kind or for amounts due under the Unemployment Insurance Act, under said modification, said Surety will pay the same in an amount not exceeding the sum of money hereinabove specified and, in case suit is brought upon this bond, a reasonable attorney's fee, to be fixed by the court; otherwise this obligation shall be void;

PROVIDED, that any modifications, alterations or changes which may be made in said contract, or in any of the work or labor required to be done thereunder, or in any of the materials, provisions, equipment, or other supplies required to be furnished pursuant to said contract, or the giving by the City of any extension of time for the performance of said contract, or the giving of any other forbearance upon the part of either the City or the Principal to the other, shall not in any way release the Principal or Surety, or either of them, or their respective heirs, administrators, executors, successors or assigns, from any liability arising hereunder, and notice to the Surety of any such modifications, alterations, changes, extensions or forbearances is hereby waived. No premature payment by said City to said Principal shall release or exonerate the Surety, unless the officer of the City ordering the payment shall have actual notice at the time the order is made that the payment is in fact premature, and then only to the extent that such payment shall result in actual loss to the Surety, but in no event in an amount more than the amount of such premature payment.

This Bond shall inure to the benefit of any and all persons, companies and corporations entitled by law to file claims so as to give a right of action to them or their assigns in any suit brought upon this bond.

IN WITNESS WHEREOF, the above-named Principal and Surety have executed, or caused to be executed, this instrument with all of the formalities required by law on this 19th day of May, 2011

INTERMOUNTAIN SLURRY SEAL, INC

Federal Insurance Company\*

By: [Signature] Contractor

By: [Signature]

Name: Kathleen Schreckengost

Name: Cynthia P. Johnson

Title: Vice President

Title: Attorney in Fact

By: See Attached Certificate of Secretary

Name:

Title:

Approved as to form this 25th day of May, 2011.

Approved as to sufficiency this 24 day of May, 2011.

ROBERT E SHANNON, City Attorney

By: [Signature] Deputy City Attorney

By: [Signature] City Manager/City Engineer

- NOTE: 1. Execution of the bond must be acknowledged by both PRINCIPAL and SURETY before a Notary Public and a Notary's certificate of acknowledgment must be attached. 2. A corporation must execute the bond by 2 authorized officers or, if executed by a person not listed in Sec. 313, Calif. Corp. Code, then a certified copy of a resolution of its Board of Directors authorizing execution must be attached.

\*Travelers Casualty and Surety Company of America Fidelity and Deposit Company of Maryland Jointly and Severally Liable

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Santa Cruz



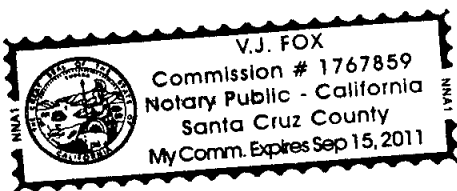
On May 19, 2011 before me, V.J. Fox, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Kathleen Schreckengost, Vice President and Cynthia P. Johnson, Attorney in Fact  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal  
Signature [Handwritten Signature]  
Signature of Notary Public V.J. Fox, Notary Public



Place Notary Seal Above

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

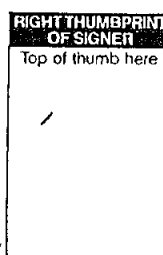
Title or Type of Document: Performance and Payment Bonds for the City of Long Beach Cape Seal Project  
Document Date: May 19, 2011 Number of Pages: 2  
Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: Kathleen Schreckengost  
 Individual  
 Corporate Officer — Title(s): Vice President  
 Partner —  Limited  General  
 Attorney in Fact  
 Trustee  
 Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_  
Intermountain Slurry Seal, Inc.



Signer's Name: Cynthia P. Johnson  
 Individual  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Attorney in Fact  
 Trustee  
 Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_  
Federal Insurance Company  
Travelers Casualty and Surety Company



BOND FOR FAITHFUL PERFORMANCE

KNOW ALL MEN BY THESE PRESENTS: That we, INTERMOUNTAIN SLURRY SEAL, INC., a Wyoming corporation, as PRINCIPAL, and Federal Insurance Company\*, located at 15 Mt. View Road, Warren, NJ 07059, a corporation, incorporated under the laws of the State of Indiana\*\*, admitted as a surety in the State of California, and authorized to transact business in the State of California, as SURETY, are held and firmly bound unto the CITY OF LONG BEACH, CALIFORNIA, a municipal corporation, in the sum of TWO HUNDRED NINETEEN THOUSAND NINE HUNDRED TWENTY-FOUR DOLLARS (\$219,924), lawful money of the United States of America, for the payment of which sum, well and truly to be made, we bind ourselves, our respective heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, said Principal has been awarded and is about to enter the annexed contract (incorporated herein by this reference) with said City of Long Beach for the Cape Seal - 1<sup>st</sup> Street from Junipero Avenue to Orizaba Avenue; Josie Avenue from Rendina Street to DeLeon Street; and Anaheim Road from Clark Avenue to El Prado Avenue and is required by said City to give this bond in connection with the execution of said contract;

NOW, THEREFORE, if said Principal shall well and truly keep and faithfully perform all of the covenants, conditions, agreements and obligations of said contract on said Principal's part to be kept, done and performed, at the times and in the manner specified therein, then this obligation shall be null and void, otherwise it shall be and remain in full force and effect;

PROVIDED, that any modifications, alterations or changes which may be made in said contract, or in the work to be done, or in the services to be rendered, or in any materials or articles to be furnished pursuant to said contract, or the giving by the City of any extension of time for the performance of said contract, or the giving of any other forbearance upon the part of either the City or the Principal to the other, shall not in any way release the Principal or the Surety, or either of them, or their respective heirs, administrators, executors, successors or assigns, from any liability arising hereunder, and notice to the Surety of any such modifications, alterations, changes, extensions or forbearances is hereby waived. No premature payment by said City to said Principal shall release or exonerate the Surety, unless the officer of said City ordering the payment shall have actual notice at the time the order is made that such payment is in fact premature, and then only to the extent that such payment shall result in actual loss to the Surety, but in no event in an amount more than the amount of such premature payment.

IN WITNESS WHEREOF, the above-named Principal and Surety have executed, or caused to be executed, this instrument with all of the formalities required by law on this 19th day of May, 2011.

INTERMOUNTAIN SLURRY SEAL, INC

Contractor  
By: [Signature]  
Name: Kathleen Schreckengost  
Title: Vice President

By: See Attached Certificate of Secretary  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Approved as to form this 25<sup>th</sup> day of May, 2011.

ROBERT E. SHANNON, City Attorney  
By: [Signature]  
Deputy City Attorney

Federal Insurance Company\*  
SURETY, admitted in California  
By: [Signature]  
Name: Cynthia P. Johnson  
Title: Attorney-in-Fact  
Telephone: 925-598-6008

Approved as to sufficiency this 24 day of May, 2011.

By: [Signature]  
City Manager/City Engineer

- NOTE: 1. Execution of the Bond must be acknowledged by both PRINCIPAL and SURETY before a Notary Public and a Notary's certificate of acknowledgment must be attached.
- 2. A corporation must execute the bond by 2 authorized officers or, if executed by a person not listed in Sec. 313, Calif. Corp. Code, then a certified copy of a resolution of its Board of Directors authorizing execution must be attached.

\*Travelers Casualty and Surety Company of America  
Fidelity and Deposit Company of Maryland  
Jointly and Severally Liable  
\*\*Connecticut, Maryland, respectively

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Santa Cruz

On May 19, 2011

Date

before me,

V.J. Fox, Notary Public

Here Insert Name and Title of the Officer

personally appeared Kathleen Schreckengost, Vice President and Cynthia P. Johnson, Attorney in Fact

Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

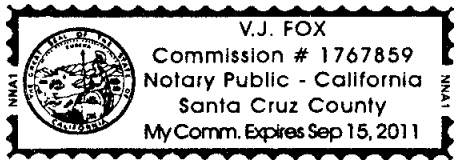
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Signature of Notary Public

V.J. Fox, Notary Public



Place Notary Seal Above

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: Performance and Payment Bonds for the City of Long Beach Cape Seal Project

Document Date: May 19, 2011

Number of Pages: 2

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: Kathleen Schreckengost

- Individual
- Corporate Officer — Title(s): Vice President
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

RIGHT THUMBPRINT OF SIGNER  
Top of thumb here

Signer Is Representing: Intermountain Slurry Seal, Inc.

Signer's Name: Cynthia P. Johnson

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

RIGHT THUMBPRINT OF SIGNER  
Top of thumb here

Signer Is Representing: Federal Insurance Company  
Travelers Casualty and Surety Company



Chubb  
Surety

POWER  
OF  
ATTORNEY

Federal Insurance Company  
Vigilant Insurance Company  
Pacific Indemnity Company

Attn: Surety Department  
15 Mountain View Road  
Warren, NJ 07059

Know All by These Presents, That FEDERAL INSURANCE COMPANY, an Indiana corporation, VIGILANT INSURANCE COMPANY, a New York corporation, and PACIFIC INDEMNITY COMPANY, a Wisconsin corporation, do each hereby constitute and appoint Jigisha Desai, John Gilliland, Cynthia P. Johnson, Kathleen Schreckengost, Ananya Mukherjee and Eve Perez of Watsonville, California

each as their true and lawful Attorney- in- Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surely thereon or otherwise, bonds and undertakings and other writings obligatory in the nature thereof (other than bail bonds) given or executed in the course of business on behalf

in connection with bids, proposals or contracts to or with the United States of America, any State or political subdivision thereof or any person, firm or corporation And the execution of such bond or obligation by such Attorney- in- Fact in the Company's name and on its behalf as surety thereon or otherwise, under its corporate seal, in pursuance of the authority hereby conferred shall, upon delivery thereof, be valid and binding upon the Company.

In Witness Whereof, said FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY have each executed and attested these presents and affixed their corporate seals on this 17<sup>th</sup> day of December, 2009

*Kenneth C. Wendel*  
Kenneth C. Wendel, Assistant Secretary

*David B. Norris, Jr.*  
David B. Norris, Jr., Vice President

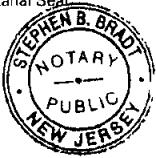
STATE OF NEW JERSEY

ss

County of Somerset

On this, 17<sup>th</sup> day of December, 2009 before me, a Notary Public of New Jersey, personally came Kenneth C. Wendel, to me known to be Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY, the companies which executed the foregoing Power of Attorney, and the said Kenneth C. Wendel, being by me duly sworn, did depose and say that he is Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of the By- Laws of said Companies; and that he signed said Power of Attorney as Assistant Secretary of said Companies by like authority; and that he is acquainted with David B. Norris, Jr., and knows him to be Vice President of said Companies, and that the signature of David B. Norris, Jr., subscribed to said Power of Attorney is in the genuine handwriting of David B. Norris, Jr., and was thereto subscribed by authority of said By- Laws and in deponent's presence.

Notarial Seal



STEPHEN B. BRADT  
Notary Public, State of New Jersey  
No. 2321097  
Commission Expires Oct. 25, 2014

*Stephen B. Bradt*  
Notary Public

CERTIFICATION

Extract from the By- Laws of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY:

"All powers of attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the President or a Vice President or an Assistant Vice President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the following officers: Chairman, 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 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 with respect to any bond or undertaking to which it is attached "

I, Kenneth C. Wendel, Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY (the "Companies") do hereby certify that

- (i) the foregoing extract of the By- Laws of the Companies is true and correct,
- (ii) the Companies are duly licensed and authorized to transact surety business in all 50 of the United States of America and the District of Columbia and are authorized by the U.S. Treasury Department; further, Federal and Vigilant are licensed in Puerto Rico and the U.S. Virgin Islands, and Federal is licensed in American Samoa, Guam, and each of the Provinces of Canada except Prince Edward Island; and
- (iii) the foregoing Power of Attorney is true, correct and in full force and effect

Given under my hand and seals of said Companies at Warren, NJ this

May 19, 2011



*Kenneth C. Wendel*  
Kenneth C. Wendel, Assistant Secretary

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT ADDRESS LISTED ABOVE, OR BY Telephone (908) 903- 3493 Fax (908) 903- 3656 e-mail: surety@chubb.com





POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney In-Fact No 221864

KNOW ALL MEN BY THESE PRESENTS: That St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company and St. Paul Mercury Insurance Company are corporations duly organized under the laws of the State of Minnesota, that Farmington Casualty Company, Travelers Casualty and Surety Company, and Travelers Casualty and Surety Company of America are corporations duly organized under the laws of the State of Connecticut, that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc. is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint John D. Gilliland, Jigisha Desai, Ananya Mukherjee, Cynthia P. Johnson, and Kathleen Schreckengost of the City of Watsonville, State of California, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

On behalf of Granite Construction Incorporated and all Subsidiaries alone or in Joint Venture.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 7th day of December, 2009.

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut

City of Hartford ss.

By: [Signature]
George W. Thompson, Senior Vice President

On this the 7th day of December, 2009, before me personally appeared George W. Thompson, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.

My Commission expires the 30th day of June, 2011.



[Signature]
Marie C. Tetreault, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, which resolutions are now in full force and effect, reading as follows:

**RESOLVED**, 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-Fact 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 prescribe 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; and it is

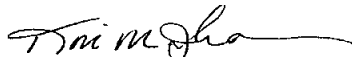
**FURTHER RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is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

**FURTHER RESOLVED**, 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, if 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; and it is

**FURTHER RESOLVED**, 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 on the Company in the future with respect to any bond or understanding to which it is attached.

I, Kori M. Johanson, the undersigned, Assistant Secretary, of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is in full force and effect and has not been revoked.

**IN TESTIMONY WHEREOF**, I have hereunto set my hand and affixed the seals of said Companies this May 19, 2011

  
Kori M. Johanson, Assistant Secretary



*To verify the authenticity of this Power of Attorney, call 1-800-421-3880 or contact us at [www.travelersbond.com](http://www.travelersbond.com). Please refer to the Attorney-In-Fact number, the above-named individuals and the details of the bond to which the power is attached.*

**Power of Attorney  
FIDELITY AND DEPOSIT COMPANY OF MARYLAND  
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY**

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, corporations of the State of Maryland, by FRANK E. MARTIN, JR., Vice President, and ERIC D. BARNES, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Companies, which are set forth on the next page hereof and are hereby certified to be in full force and effect on the date hereof, does hereby nominate, constitute and appoint Jigisha DESAI, Ananya MUKHERJEE, Cynthia P. JOHNSON, Kathleen SCHRECKENGOST and John D. GILLILAND, all of Watsonville, California, EACH its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: **any and all bonds and undertakings issued on behalf of Granite Construction Incorporated, Watsonville, California and all subsidiaries alone or in a joint venture**, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if it had been duly executed and acknowledged by the regularly elected officers of the Company at its office in Baltimore, MD, in their own proper persons. This power of attorney revokes that issued on behalf of Jigisha DESAI, John D. GILLILAND, Ananya MUKHERJEE, Eve PEREZ dated March 4, 2009.

The said Assistant Secretary does hereby certify that the extract set forth on the next page hereof is a true copy of Article VI, Section 2, of the By-Laws of said Company, and is now in force.

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seal of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, as of this 1st day of December, A.D. 2009.

**FIDELITY AND DEPOSIT COMPANY OF MARYLAND  
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY**

ATTEST



*Eric D. Barnes*

*Frank E. Martin, Jr.*

*Eric D. Barnes*

*Assistant Secretary*

*Frank E. Martin, Jr.* *Vice-President*

State of Maryland }  
County of Baltimore } ss:

On this 1st day of December, A.D. 2009, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, came FRANK E. MARTIN, JR., Vice President, and ERIC D. BARNES, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself depose and saith, that they are the said officers of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Companies, and that the said Corporate Seals and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



*Constance A. Dunn*

*Conne A. Dunn* *Notary Public*  
My Commission Expires: July 14, 2011

**EXTRACT FROM BY-LAWS OF FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

"Article VI, Section 2 The Chairman of the Board, or the President, or any Executive Vice-President or any Vice President that is specially authorized by the Board of Directors or the Chairman in concurrence with the Corporate Secretary, shall have the power, by and with the concurrence of the Secretary, to appoint Attorney-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertakings, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgements, decrees, mortgages and instruments in the nature of mortgages, and also all other instruments and documents which the business of the Company may require, and to affix the seal of the Company thereto."

**EXTRACT FROM BY-LAWS OF COLONIAL AMERICAN CASUALTY AND SURETY COMPANY**

"Article VI, Section 2. The Chairman of the Board, or the President, or any Executive Vice-President or any Vice President that is specially authorized by the Board of Directors or the Chairman in concurrence with the Corporate Secretary, shall have the power, by and with the concurrence of the Secretary, to appoint Attorney-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertakings, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgements, decrees, mortgages and instruments in the nature of mortgages, and also all other instruments and documents which the business of the Company may require, and to affix the seal of the Company thereto."

**CERTIFICATE**

I, the undersigned, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, do hereby certify that the original Power of Attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate, and I do further certify that the Vice-President who executed the said Power of Attorney was one of the additional Vice-Presidents specially authorized by the Board of Directors to appoint any Attorney-in-Fact as provided in Article VI, Section 2, of the By-Laws of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, at a meeting duly called and held on the 10<sup>th</sup> day of May, 1990, and of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994.

RESOLVED "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said Companies on May 19, 2011



*Gerald F. Haley*

Gerald F Haley

Secretary