

EXHIBIT 2

AMENDMENT NO. 1
TO PROFESSIONAL SERVICES AGREEMENT
BETWEEN COUNTY OF MONTEREY AND
FONSECA/MCELROY GRINDING COMPANY, INC.

THIS AMENDMENT NO. 1 to the Professional Services Agreement between the County of Monterey, a political subdivision of the State of California (hereinafter, "County") and Fonseca/McElroy Grinding Company, Inc. (hereinafter, "CONTRACTOR") is hereby entered into between the County and the CONTRACTOR (collectively, the County and CONTRACTOR are referred to as the "Parties").

WHEREAS, CONTRACTOR entered into a Professional Services Agreement with County on May 11, 2012 (hereinafter, "Agreement") to provide on-call rental of a fully operated, fueled and maintained asphalt grinding machine; and

WHEREAS, the Parties wish to amend the Agreement to include on-call rental of a fully operated, fueled and maintained paver machine; and

WHEREAS, additional funding is necessary to expand the type and the amount of rental services provided by the CONTRACTOR as directed by the County of Monterey, Resource Management Agency - Department of Public Works; and

WHEREAS, the Parties wish to amend the Agreement to extend the term to June 30, 2013 and to increase the amount by \$130,000 to continue to provide services identified in the Agreement and as amended by this Amendment No. 1.

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

1. Amend Paragraph 1, "Services to be Provided", to read as follows:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, ~~the services described in Exhibit A-1 in conformity with the terms of~~ this Agreement. The services are generally described as follows: Provide on-call rental of fully operated, fueled and maintained asphalt grinding and paver machines at various locations in the County as directed by the County of Monterey, Resource Management Agency - Department of Public Works.

Amendment No. 1 to Professional Services Agreement
Fonseca/McElroy Grinding Company, Inc.
On-Call Rental of Fully Operated, Fueled and Maintained
Asphalt Grinding and Paver Machines
RMA - Department of Public Works
Term: May 1, 2012 - June 30, 2013
Not to Exceed: \$200,000

2. Amend Paragraph 2, "Payments by County", to read as follows:

County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A-1, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$200,000.

3. Amend the first sentence of Paragraph 3, "Term of Agreement", to read as follows:

The term of this Agreement is from May 1, 2012 to June 30, 2013, unless sooner terminated pursuant to the terms of this Agreement.

4. Amend Paragraph 4, "Additional Provisions/Exhibits"; by replacing "Exhibit A - Scope of Services/Payment Provisions" with "Exhibit A-1 - Scope of Services/Payment Provisions".

5. In all places within the Agreement, any reference to Exhibit A - Scope of Services/Payment Provisions, is hereby replaced with Exhibit A-1 - Scope of Services/Payment Provisions.

6. All other terms and conditions of the Agreement remain unchanged and in full force.

7. This Amendment No. 1 shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement.

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RMA - Department of Public Works
Term: May 1, 2012 - June 30, 2013
Not to Exceed: \$200,000

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 1 to the Professional Services Agreement as of the day and year written below:

COUNTY OF MONTEREY

CONTRACTOR*

By: [Signature]
FOH Contracts/Purchasing Officer

Fonseca/McElroy Grinding Company, Inc.
Contractor's Business Name

Date: 9-26-12

By: [Signature]
(Signature of Chair, President or Vice President)

Its: MICHAEL MCELROY - PRESIDENT
(Print Name and Title)

Date: 7/26/12

Approved as to Form and Legality
Office of the County Counsel

By: [Signature]
(Signature of Secretary, Assl. Secretary, CFO,
Treasurer or Asst. Treasurer)

By: [Signature]
Deputy County Counsel

Its: LISA MCELROY - SECRETARY
(Print Name and Title)

Date: 7/27/12

Date: 7/26/12

Approved as to Fiscal Provisions

By: [Signature]
Auditor/Controller

Date: 7-26-12

ENTERED
SEP 26 2012
CCC

Approved as to Indemnity and Insurance Provisions

By: _____
Risk Management

Date: _____

*INSTRUCTIONS: IF CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. IF CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

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EXHIBIT A-1 – SCOPE OF SERVICES/PAYMENT PROVISIONS

Revised July 20, 2012

March 20, 2012

**Fonseca/McElroy Grinding Company, Inc.
Scope of Work**

On an "on-call" basis, Fonseca/McElroy Grinding Company, Inc. (FMG) will provide a fully operated, fueled and maintained asphalt grinding machine and/or paver machine as directed by the County of Monterey Department of Public Works (Public Works). FMG will be responsible for transporting the equipment to and from the worksite at the hourly rate stated in the attached 2012 Price Lists. The rates set forth in the 2012 Price Lists are to remain firm through June 30, 2013 and, thereafter may be adjusted according to the terms and conditions of the Agreement and by written amendment executed by the County.

The scope of work is further defined below:

1. Public Works will perform all work incidental to asphalt grinding/milling/paving operations. FMG is not responsible for grinding areas inaccessible to the machines, chipping, handwork, cutback tapers, grinding of Portland Cement Concrete (PCC), placement and maintenance of "Uneven Pavement" signage.
2. Public Works will provide all traffic control.
3. Public Works will provide all pre-notifications and signage.
4. Public Works will provide USA notification and markings prior to starting work.
5. Public Works will provide water source, water truck and water meter if necessary.
6. Public Works will be responsible for damage to asphalt grinder/paver caused by unmarked subsurface obstacles (i.e., water valves, manholes buried steel or iron).
7. Public Works will notify FMG within 48 hours of any potential back charges.

8. Rental rates do not include permits, bonds, state or local taxes.
9. Daily rental rates include one complete set of teeth for the asphalt grinding machine. Additional teeth will be provided on an as-needed basis with the approval and at the expense of the County. The per tooth replacement rate is \$4.00.
10. The operation of the asphalt grinding machine/paver machine requires payment of prevailing wages to all workers employed under this Agreement on public work projects as defined in Labor Code Section 1771. Copies of the prevailing rate of per diem wages are on file at the County of Monterey Department of Public Works, 168 West Alisal Street, 2nd Floor, Salinas, CA, which shall be made available to any interested party on request.

EXHIBIT A-1 - SCOPE OF SERVICES/PAYMENT PROVISIONS



2012 Price List

Skid Steer (w/ attachments)	
• 18" Cold Planer	\$1,250.00 Per 8 hour day: Machine and Operator
• Broom Attachment	\$ 200.00 Overtime Per hour
• Rubber Tires	\$1,600.00 Saturday (8hr)
• (1) Available	\$1,800.00 Sunday (8hr)
12"/20"/24" Mill	
• Rear Loading	\$2,500.00 Per 8 hour day: Machine and Operator
• Rubber Wheel Driven	\$ 400.00 Per 8 hour day: Groundman
• (1) Available	\$ 400.00 Overtime Per hour
	\$2,800.00 Saturday (8hr)
	\$3,000.00 Sunday (8hr)
48" Mill	
• Front Loading	\$2,650.00 Per 8 hour day: Machine and Operator
• Track Drive	\$ 400.00 Per 8 hour day: Groundman
• 11 1/2 Max. Cutting Depth	\$ 400.00 Overtime Per hour
• (6) Available	\$2,950.00 Saturday (8hr)
	\$3,150.00 Sunday (8hr)
6'8" Mill	
• Front Loading	\$3,360.00 Per 8 hour day: Machine/Operator/Groundman
• Track Drive	\$ 500.00 Overtime Per hour
• 11 1/2 Max. Cutting Depth	\$3,800.00 Saturday (8hr)
• (5) Available	\$4,300.00 Sunday
7' Mill	
• Front Loading	\$3,800.00 Per 8 hour day: Machine/Operator/Groundman
• Track Drive	\$ 500.00 Overtime Per hour
• 12" Max. Cutting Depth	\$4,200.00 Saturday (8hr)
• (4) Available	\$4,700.00 Sunday (8hr)

Note: Transport fees will apply @ \$95.00 per hr. (Fees are calculated based on the time it takes to travel from our yard, to your job-site). For night work, add \$250 to the published rate.

FONSECA/MCELROY GRINDING CO., INC.

336 E. GISH ROAD • SAN JOSE, CA 95112 • PH: 408.573.9FMG (9364) • FX: 408.573.8FMG (8364) • LICENSE #796046

EXHIBIT A-1 -- SCOPE OF SERVICES/PAYMENT PROVISIONS



2012 Paver Price List

4' Tracked Trench Paver (4' to 6'-7")

- Machine and One Operator \$1,800.00 Per 8 hour min day (Monday - Friday)
- Standby Rental \$1,200.00 Per day (Monday - Friday)
- Screed Operator \$ 600.00 Per 8 hour min day
- (O.T. if necessary) \$ 275.00 Overtime Per hour after 8hrs.
- *Call For Availability

8' Tracked LeeBoy Low Deck 8500 (8' to 13')

- Machine and One Operator \$1,800.00 Per 8 hour min day (Monday - Friday)
- Standby Rental \$1,200.00 Per day (Monday - Friday)
- Screed Operator \$ 600.00 Per 8 hour min day.
- (O.T. if necessary) \$ 275.00 Overtime Per hour after 8hrs.
- *Call For Availability

Note: Transport fees will apply @ \$95.00 per hr. (Fee's are calculated based on the time it takes to travel from our yard, to your job-site).

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