

AGREEMENT

Division 00500

THIS AGREEMENT is made by and between the COUNTY OF MONTEREY, a political subdivision of the State of California, hereinafter called "COUNTY," and WILLIAM A. THAYER CONSTRUCTION, INC. hereinafter called "CONTRACTOR." For reference purposes, the date of this Agreement is November 5, 2013.

THE COUNTY AND THE CONTRACTOR hereby agree as follows:

ARTICLE 1. SCOPE OF WORK.

This Job Order Contract (JOC) is an indefinite quantity contract pursuant to which the Contractor will perform a variety of Job Orders, consisting of specific construction tasks. The scope of this JOC is for general construction, repair, remodel and other repetitive related work. The County has published a Construction Task Catalog[®] (CTC) containing a series of construction tasks with preset Unit Prices. The CTC was developed using experienced labor and high quality materials. All Unit Prices are based on local labor, material and equipment prices including the current prevailing wages. The Contractor will bid Adjustment Factors to be applied to the Unit Prices. The price of an individual Job Order will be determined by multiplying the preset Unit Prices and the appropriate quantities by the appropriate Adjustment Factor.

The scope of Work for this Contract will be determined by the Detailed Scopes of Work issued in connection with individual Job Orders. The scope of work, for each Job Order will be explained to the Contractor at a Joint Scope Meeting. The County will provide a Request for Job Order Proposal and Detailed Scope of Work to the Contractor. The Contractor will be required to review the Detailed Scope of Work and develop a Price Proposal using appropriate tasks, quantities and the applicable Adjustment Factor. The County will review the Contractor's Proposal in detail and if found to be reasonable and acceptable, a Job Order may be issued. The agreed upon price will be fixed price for the performance of the Detailed Scope of Work.

The CONTRACTOR shall, within the time stipulated, perform the contract as herein defined and shall furnish all work, labor, equipment, transportation, material, and services to construct and complete in a good, expeditious, workmanlike, and substantial manner, the project:
PROJECT NO. JOC BID NO. FACILITIES 2013-02.

ARTICLE 2. TIME FOR START AND COMPLETION.

Contract Time commences upon the written execution of the Contract by County and shall end either one year from the date signed by county or upon the payment by County to Contractor of the maximum amount payable under this Agreement, whichever occurs earlier. County will not issue any new Job Orders after the expiration of this Agreement. Any Job Order authorized prior to the expiration of the Agreement must be completed within the time specified in the Job Order. In the event the scheduled completion for any Job Order extends beyond the term of this Agreement, Contractor and County agree that the terms of this Agreement shall continue in

effect and be applicable for such Job Orders. A separate Job Order Notice to Proceed will be issued for each Job Order. Each Job Order will specify a time limit for completion as stated on the Job Order Notice to Proceed.

ARTICLE 3. ADJUSTMENT FACTORS

County shall pay Contractor the Job Order Sum for completion of Work in accordance with Contract Documents and the Detailed Scope of Work described in each Job Order multiplied by the following Adjustment Factors:

ADJUSTMENT FACTORS

ITEM	DESCRIPTION	ADJUSTMENT FACTORS
1.	Normal Working Hours – General Facilities	1.1839
2.	Other than Normal Working Hours – General Facilities	1.4560
3.	Normal Working Hours – Detention Facilities	1.2014
4.	Other than Normal Working Hours – Detention Facilities	1.4753

The Minimum Contract Value is \$25,000. Contractor will receive Job Orders totaling at least \$25,000 during the Contract term. The Maximum Contract Value is \$4,430,000 for JOC FACILITIES 2013-02. County does not guarantee Contractor will receive this volume of Work. County may award contracts or issue Job Orders to other contractors for the same or similar Work during the term of this Agreement. In no event will Contractor be issued Job Orders which, in total, exceed the Maximum Contract Value. At no time may the sum of the outstanding Job Orders exceed the amount of the Payment Bond and Performance Bond. A Job Order is outstanding until County has accepted the Work described in the Job Order by recordation of a Notice of Completion. Contractor will not be issued Job Orders which in total exceed the Maximum Contract Value.

ARTICLE 4. LIQUIDATED DAMAGES.

County and Contractor recognize that time is of the essence of this Agreement and that County will suffer financial loss, if all or any part of the Work is not completed within the time specified in the Job Order, plus any extensions thereof. Accordingly, County and Contractor agree that liquidated damages for delay will be established by County for each Job Order. Contractor shall pay County the dollar amount stipulated in the Job Order for each day that expires after the time specified therein for contractor to achieve Completion.

These measures of liquidated damages shall apply cumulatively and except as provided below, shall be presumed to be the damages suffered by County resulting from delay in completion of the Work.

Liquidated damages for delay shall only cover project administrative (such as Project management and consultant expenses) and cost damages suffered by County as a result of delay. Liquidated damages shall not cover the cost of completion of the Work, damages resulting from Defective Work, lost revenues or costs of substitute facilities, or damages suffered by others who then seek to recover their damages from County (for example, delay claims of other contractors, subcontractors, tenants, or other third-parties), and defense costs thereof.

ARTICLE 5. NOTIFICATION OF THIRD-PARTY CLAIMS.

COUNTY shall notify CONTRACTOR of the receipt of any third-party claim relating to the contract and is entitled to recover its reasonable costs incurred in providing the notification as provided in Public Contract Code Section 9201.

ARTICLE 6. COMPONENT PARTS OF THIS CONTRACT.

The contract entered into by this Agreement consists of the following documents, all of which are component parts of the contract as if herein set out in full or attached hereto:

- Notice to Contractors
- Information for Bidders
- Bid, as accepted
- Noncollusion Affidavit
- Workers' Compensation Certificate
- Affidavit Concerning Employment of Undocumented Aliens
- Contractor's Certification of Good Faith Effort to Employ Monterey Bay Area Residents
- Written Plan to Recruit Monterey Bay Area Residents, when applicable
- Bid Bond or Bidder's Security
- Agreement
- Performance Bond
- Payment Bond
- Insurance Certificate
- Division 00710 General Conditions, Bid No, FACILITIES 2013-01, FACILITIES 2013-02
- Project Manual
- Construction Task Catalog[®] Monterey County Facilities July 2013
- Technical Specifications
- As issued, Addenda No: 01

All of the above-named contract documents are intended to be complementary. Work required by one of the above-named contract documents and not by others shall be done as if required by all.

IN WITNESS WHEREOF, the parties have duly executed four (4) identical counterparts of this instrument, each of which shall be for all purposes deemed an original thereof, on the dates set forth below.

COUNTY OF MONTEREY

By: _____

Name: Robert K. Murdoch, P.E.

Title: Director of Public Works

Date: November ____, 2013

APPROVED AS TO FORM
CONTRACTS/PURCHASING

By: _____

Name: Mike Derr

Title: Contracts/Purchasing Officer

Date: October ____, 2013

APPROVED AS TO FORM & LEGALITY
COUNTY COUNSEL

By: Cynthia L. Hasson

Name: Cynthia L. Hasson

Title: Deputy County Counsel

Date: October 22, 2013

APPROVED AS TO FISCAL TERMS

COUNTY AUDITOR-CONTROLLER

By: _____

Name: Gary Giboney

Title: Chief Deputy Auditor-Controller

Date: October 11, 2013

APPROVED AS TO INDEMNITY/INSURANCE
LANGUAGE

RISK MANAGEMENT
COUNTY OF MONTEREY

By: APPROVED AS TO INDEMNITY/

Name: Steven F. Mauck

Title: Risk Manager Madia Schumak

Date: ~~October~~ October, 2013 10-22-13

WILLIAM A. THAYER CONSTRUCTION, INC.

By: William A. Thayer

Name: William A. Thayer

Title: President

Date: October 4, 2013

By: ~~William A. Thayer~~

Name: Lynne Thayer Lynne Thayer

Title: Secretary

Date: October 4, 2013

WILLIAM A THAYER CONSTRUCTION, INC

2600 GARDEN RD STE 215

MONTEREY CA 93940

Contractor's License Type: B

License Number: 605259

License Expiration Date: 1/31/2015

NOTE: CONTRACTORS ARE REQUIRED TO BE LICENSED AND REGULATED BY THE CONTRACTORS' STATE LICENSE BOARD. ANY QUESTIONS CONCERNING A CONTRACTOR MAY BE REFERRED TO THE REGISTRAR, CONTRACTORS' STATE LICENSE BOARD/P O BOX 26000/ SACRAMENTO CA 95826

INSTRUCTIONS: If bidder is a corporation, the full legal name of the corporation shall be set forth above together with the signatures of authorized officers or agents and the document shall bear the corporate seal; if bidder is a partnership, the full name of the firm shall be set forth above together with the signature of the partner or partners authorized to sign contracts on behalf of the partnership; and if bidder is an individual, his signature shall be placed above.

PERFORMANCE BOND
(Public Contract Code Section 20129)
Division 00600

WHEREAS, the County of Monterey has awarded to Principal,

William A. Thayer Construction, Inc.

as Contractor, for the following project:

PROJECT NO. JOC, BID NO. FACILITIES 2013-02; and

WHEREAS, Principal, as Contractor, is required to furnish a bond in connection with said contract, to secure the faithful performance of said contract.

NOW, THEREFORE, we William A. Thayer Construction, Inc.

as Principal, and U.S. Specialty Insurance Company

as Surety, are held and firmly bound unto the County of Monterey, a political subdivision of the State of California (hereinafter called "County"), in the penal sum of Two Million Dollars (\$2,000,000.00), for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

If the Principal, as Contractor, or Principal's heirs, executors, administrators, successors, or assigns, (1) shall in all things stand to and abide by and well and truly keep and perform the covenants, conditions, and agreements in said contract and any alteration thereof made as therein provided, on Principal's part to be kept and performed, at the time and in the manner therein specified and in all respects according to their true intent and meaning, and (2) shall indemnify, defend, and save harmless the County, the members of its board of supervisors, and its officers, agents, and employees as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and virtue.


Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the contract or the call for bids, or to the work to be performed thereunder, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said contract or the call for bids, or to the work, or to the specifications.

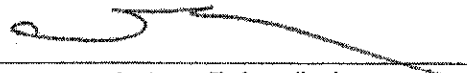
Whenever the Principal, as Contractor, is in default, and is declared in default, under the Contract by the County of Monterey, the County of Monterey having performed its obligation under the contract, Surety may promptly remedy the default, or shall promptly:

3. Complete the contract in accordance with its terms or conditions, or
4. Obtain a bid or bids for submission to County of Monterey for completing the Contract in accordance with its terms or conditions, and upon determination by the County of Monterey and Surety of the lowest responsible and responsive bidder, arrange for a contract between such bidder and the County of Monterey, and make available as work progresses (even though there should be a default or succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price.

If suit is brought upon this bond by the County and judgment is recovered, the Surety shall pay all litigation expenses incurred by the County in such suit, including attorneys' fees, court costs, expert witness fees, and investigation expenses.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their several seals this 17TH day of October, 2013, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal) _____ William A. Thayer Construction, Inc.
Principal
By: 
Title: PRESIDENT

(Corporate Seal) _____ U.S. Specialty Insurance Company
Surety
By: 
Anthony F. Angelicola
Title: Attorney-In-Fact

Attach: 1) Copy of authorization for signature for Principal, and 2) original or certified copy of unrevoked appointment, Power of Attorney, Attorney-in-Fact Certificate bylaws or other instrument entitling or authorizing person executing bond on behalf of Surety to do so.

POWER OF ATTORNEY

AMERICAN CONTRACTORS INDEMNITY COMPANY UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

KNOW ALL MEN BY THESE PRESENTS: That American Contractors Indemnity Company, a California corporation, United States Surety Company, a Maryland corporation and U.S. Specialty Insurance Company, a Texas corporation (collectively, the "Companies"), do by these presents make, constitute and appoint:

Anthony F. Angelicola or Maureen E. Schmidt of San Francisco, California

its true and lawful Attorney(s)-in-fact, each in their separate capacity if more than one is named above, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include riders, amendments, and consents of surety, providing the bond penalty does not exceed *****Four Million***** Dollars (\$**4,000,000.00**).

This Power of Attorney shall expire without further action on December 08, 2016. This Power of Attorney is granted under and by authority of the following resolutions adopted by the Boards of Directors of the Companies:

Be It Resolved, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and on behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings, including any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts, and any and all notices and documents canceling or terminating the Company's liability thereunder; and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

Be It Resolved, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, The Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 10th day of December, 2012.

AMERICAN CONTRACTORS INDEMNITY COMPANY UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

Corporate Seals



[Signature]
Daniel P. Aguilar, Vice President

State of California

County of Los Angeles SS:

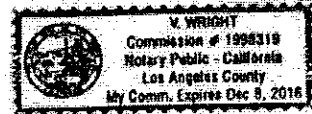
On 10th day of December, 2012, before me, Vanessa Wright, a notary public, personally appeared Daniel P. Aguilar, Vice President of American Contractors Indemnity Company, United States Surety Company and U.S. Specialty Insurance Company who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature 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]

(Seal)



I, Jeannie Lee, Assistant Secretary of American Contractors Indemnity Company, United States Surety Company and U.S. Specialty Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Companies, which is still in full force and effect; furthermore, the resolutions of the Boards of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seals of said Companies at Los Angeles, California this 17TH day of October, 2013

Corporate Seals

Bond No. 1000972050
Agency No. 2009



[Signature]
Jeannie Lee, Assistant Secretary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

County of San Francisco

On October 17, 2013 before me, Eliannet Sandoval Oquendo, Notary Public

personally appeared Anthony F. Angelicola

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

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:

Document Date: Number of Pages:

Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer's Name:

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

RIGHT THUMBPRINT OF SIGNER Top of thumb here

Signer Is Representing:

Signer's Name:

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

RIGHT THUMBPRINT OF SIGNER Top of thumb here

Signer Is Representing:

PAYMENT BOND
(Civil Code section 9550)
Division 00610

Bond #: 1000972050
Premium: Included In
Performance Bond

WHEREAS, the County of Monterey has awarded to Principal,

William A. Thayer Construction, Inc.

as Contractor, a contract for the following project:

PROJECT NO. JOC, BID PACKAGE NO. FACILITIES 2013-02; and

WHEREAS, Principal, as Contractor, is required to furnish a bond in connection with said contract, to secure the payment of claims of laborers, mechanics, material providers, and other persons furnishing labor and materials on the project, as provided by law.

NOW, THEREFORE, we

William A. Thayer Construction, Inc.

as Principal, and

U.S. Specialty Insurance Company

as Surety, are held and firmly bound unto the County of Monterey, a political subdivision of the State of California (hereinafter called "County"), and to the persons named in California Civil Code section 9100 in the penal sum of Two Million Dollars (\$2,000,000.00), for the payment of which sum in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:


If Principal or any of Principal's heirs, executors, administrators, successors, assigns, or subcontractors (1) fails to pay in full all of the persons named in Civil Code Section 9100 with respect to any labor or materials furnished by said persons on the project described above, or (2) fails to pay in full all amounts due under the California Unemployment Insurance Code with respect to work or labor performed under the contract on the project described above, or (3) fails to pay for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the Principal and subcontractors pursuant to Unemployment Insurance Code section 13020 with respect to such work and labor, then the Surety shall pay for the same.


Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract on the call for bids, or to the work to be performed thereunder, or the specifications accompanying the same, shall in any way affect its obligation under this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of said contract or the call for bids, or to the work, or to the specifications.

If the County brings suit upon this bond and judgment is recovered, the Surety shall pay all litigation expenses incurred by the County in such suit, including attorneys' fees, court costs, expert witness fees and investigation expenses.

This bond inures to the benefit of any of the persons named in Civil Code section 9100, and such persons or their assigns shall have a right of action in any suit brought upon this bond, subject to any limitations set forth in Civil Code sections 9550 et seq. (Civil Code, Division 4, Part 6, Title 3, Chapter 5: Payment Bond for Public Works).

IN WITNESS WHEREOF the above-bounden parties have executed this instrument under their several seals this 17TH day of October, 2013, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(Corporate Seal) William A. Thayer Construction, Inc.
Principal
By: 
Title: PRESIDENT

(Corporate Seal) U.S. Specialty Insurance Company
Surety
By: 
Title: Attorney-in-Fact

Attach: 1) Copy of authorization for signature for Principal, and 2) original or certified copy of unrevoked appointment, Power of Attorney, Attorney-in-Fact Certificate bylaws or other instrument entitling or authorizing person executing bond on behalf of Surety to do so.

POWER OF ATTORNEY

AMERICAN CONTRACTORS INDEMNITY COMPANY UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

KNOW ALL MEN BY THESE PRESENTS: That American Contractors Indemnity Company, a California corporation, United States Surety Company, a Maryland corporation and U.S. Specialty Insurance Company, a Texas corporation (collectively, the "Companies"), do by these presents make, constitute and appoint:

Anthony F. Angelicola or Maureen E. Schmidt of San Francisco, California

its true and lawful Attorney(s)-in-fact, each in their separate capacity if more than one is named above, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include riders, amendments, and consents of surety, providing the bond penalty does not exceed *****Four Million***** Dollars (\$**4,000,000.00**).

This Power of Attorney shall expire without further action on December 08, 2016. This Power of Attorney is granted under and by authority of the following resolutions adopted by the Boards of Directors of the Companies:

Be it Resolved, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and on behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings, including any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts, and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

Be it Resolved, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, The Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 10th day of December, 2012.

AMERICAN CONTRACTORS INDEMNITY COMPANY UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

Corporate Seals



State of California

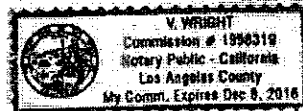
[Signature] Daniel P. Aguilar, Vice President

County of Los Angeles SS:

On 10th day of December, 2012, before me, Vanessa Wright, a notary public, personally appeared Daniel P. Aguilar, Vice President of American Contractors Indemnity Company, United States Surety Company and U.S. Specialty Insurance Company who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature 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] (Seal)



I, Jeannie Lee, Assistant Secretary of American Contractors Indemnity Company, United States Surety Company and U.S. Specialty Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Companies, which is still in full force and effect; furthermore, the resolutions of the Boards of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seals of said Companies at Los Angeles, California this 17th day of October 2013

Corporate Seals

Bond No. 1000972050 Agency No. 2009



[Signature] Jeannie Lee, Assistant Secretary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1169

State of California

County of San Francisco

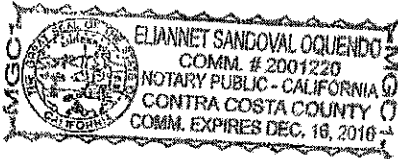
On October 17, 2013 before me, Eliannet Sandoval Oquendo, Notary Public

Here Insert Name and Title of the Officer

personally appeared Anthony F. Angelicola

Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(x) whose name(x) 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(x) on the instrument the person(x), or the entity upon behalf of which the person(x) 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

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:

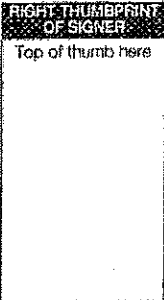
Document Date: Number of Pages:

Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer's Name:

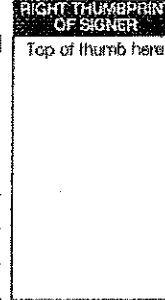
- Corporate Officer -- Title(s):
Individual
Partner -- Limited General
Attorney in Fact
Trustee
Guardian or Conservator
Other:



Signer Is Representing:

Signer's Name:

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



Signer Is Representing:



HCC Surety Group
601 S. Figueroa Street, Suite 1600, Los Angeles, California 90017
main 310 648 0990 fax 310 645 9274

September 30, 2013

County of Monterey
Resource Management Agency
168 W Alisal St FL2
Salinas, CA 93901-2438

Re: William A. Thayer Construction, Inc.

Dear Ms. Rita:

U.S. Specialty Insurance Company is the surety for William A. Thayer Construction, Inc. Our experience with this company has been most satisfactory.

U.S. Specialty Insurance Company is an admitted Surety Company in the State of California and is listed as an admitted Surety to the Federal Government in the Department of the Treasury's Circular 570. A.M. Best Company has rated U.S. Specialty Insurance Company as A+XIV.

U.S. Specialty Insurance Company has written bond in the \$4,430,000.00 single range and with an aggregate program of \$6,000,000.00 and would be in a position to consider this size in the future. Projects of a larger size would be reviewed on a project by project basis. All surety credit for this account is available subject to underwriting guidelines at the time the specific request is made.

If you shall have any questions or concerns, please, do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "Anthony F. Angelicola", is written over a horizontal line.

Anthony F. Angelicola
Attorney-In-Fact

cc: William A. Thayer Construction, Inc.

POWER OF ATTORNEY

AMERICAN CONTRACTORS INDEMNITY COMPANY UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

KNOW ALL MEN BY THESE PRESENTS: That American Contractors Indemnity Company, a California corporation, United States Surety Company, a Maryland corporation and U.S. Specialty Insurance Company, a Texas corporation (collectively, the "Companies"), do by these presents make, constitute and appoint:

Anthony F. Angelicola or Maureen E. Schmidt of San Francisco, California

its true and lawful Attorney(s)-in-fact, each in their separate capacity if more than one is named above, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include riders, amendments, and consents of surety, providing the bond penalty does not exceed *****Four Million***** Dollars (\$ **4,000,000.00**).

This Power of Attorney shall expire without further action on December 08, 2016. This Power of Attorney is granted under and by authority of the following resolutions adopted by the Boards of Directors of the Companies:

Be it Resolved, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and on behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings, including any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts, and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

Be it Resolved, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, The Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 10th day of December, 2012.

AMERICAN CONTRACTORS INDEMNITY COMPANY UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

Corporate Seals



[Signature]
Daniel P. Aguilar, Vice President

State of California

County of Los Angeles SS:

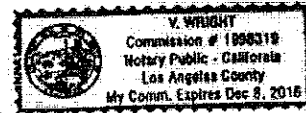
On 10th day of December, 2012, before me, Vanessa Wright, a notary public, personally appeared Daniel P. Aguilar, Vice President of American Contractors Indemnity Company, United States Surety Company and U.S. Specialty Insurance Company who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature 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]

(Seal)



I, Jeannie Lee, Assistant Secretary of American Contractors Indemnity Company, United States Surety Company and U.S. Specialty Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Companies, which is still in full force and effect; furthermore, the resolutions of the Boards of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seals of said Companies at Los Angeles, California this 30TH day of September, 2013.

Corporate Seals



[Signature]
Jeannie Lee, Assistant Secretary

Bond No.

Agency No. 2009

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

County of San Francisco

On Sept. 30, 2013 before me, Eliannet Sandoval Oquendo, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Anthony F. Angelicola
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: Eliannet Sandoval Oquendo
Signature of 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: _____

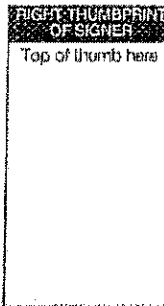
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

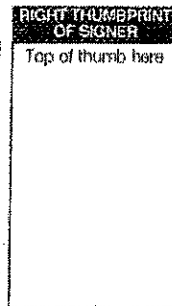
- Corporate Officer -- Title(s): _____
- Individual
- Partner -- Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

Signer's Name: _____

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



Signer Is Representing: _____



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

09/26/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. 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).

PRODUCER Leavitt Central Coast Ins Serv License #0G39781 950 East Blanco Rd Ste 103 Salinas, CA 93901 Francis Svadas	Phone: 831-424-6404	CONTACT NAME: Candi Renteria/Francis Svadas
	Fax: 831-424-0140	PHONE (A/C, No, Ext): E-MAIL ADDRESS: candi-renteria@leavitt.com
		FAX (A/C, No): 831-424-0140
		INSURER(S) AFFORDING COVERAGE
		INSURER A : Fireman's Fund Insurance Co. NAIC # 21873
		INSURER B : Everest National Insurance Co. 10120
		INSURER C : Colony Insurance Co. 39993
		INSURER D : Evanston Insurance Company 35378
		INSURER E : Peerless Insurance Company 24198
		INSURER F : Westchester Surplus Lines Ins 10172
INSURED William A Thayer Construction Inc. 2600 Garden Road, Suite 215 Monterey, CA 93940		

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:


THIS IS TO CERTIFY THAT 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. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
C	GENERAL LIABILITY	X	GL953029	01/17/2013	01/17/2014	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"/> PRO-JECT <input type="checkbox"/> LOC					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/OP AGG \$ 2,000,000
E	AUTOMOBILE LIABILITY	X	BA2079346	01/30/2013	01/30/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> COMP/COLL SCHEDULED AUTOS NON-OWNED AUTOS \$1000/1000					BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
D	UMBRELLA LIAB	X	XOAZ243813	01/17/2013	01/17/2014	EACH OCCURRENCE \$ 3,000,000
	<input checked="" type="checkbox"/> EXCESS LIAB DED RETENTION \$					<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE AGGREGATE \$ 3,000,000 Prod Comp \$ 3,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	Y/N	7600004322131	01/01/2013	01/01/2014	<input checked="" type="checkbox"/> WC STATUTORY LIMITS
	<input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below					<input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Equipment Floater		MZI93002274	12/06/2012	12/06/2013	Equip 124,354
F	POLLUTION		G24277756002	05/03/2013	05/03/2014	Liability 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 Certificate holder is named as Additional Insured along with its agents, officers and employees (As required by written contract) as per attached endorsement form. Ref: JOC2013-02

CERTIFICATE HOLDER

CANCELLATION

COUNTY County of Monterey Dept. of Public Works 168 W Alisal St, Floor 2 Salinas, CA 93906	CNTYMTY	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
		AUTHORIZED REPRESENTATIVE 

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – SCHEDULED PERSON OR
ORGANIZATION – COMPLETED OPERATIONS & ONGOING
OPERATIONS AS SCHEDULED**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Operations
ALL PERSONS OR ORGANIZATIONS AS REQUIRED BY WRITTEN CONTRACT WITH THE NAMED INSURED	AS DESIGNATED IN WRITTEN CONTRACT WITH THE NAMED INSURED

A. **Section II – Who Is An Insured** is amended to include the person(s) or organization(s) shown in the Schedule (called additional insured), but only with respect to:

(1) Liability for "bodily injury" or "property damage" caused, in whole or in part, resulting from "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard" when you and such person(s) or organization(s) have agreed in writing in a contract or agreement that such person(s) or organization(s) be named as an additional insured on your policy.

(2) Liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by resulting from:

(a) Your acts or omissions; or

(b) The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. **Section IV – Commercial General Liability Conditions, 4. Other Insurance** is amended and the following added:

If you are required by written contract to provide primary insurance, the insurance afforded by this Coverage Part for the additional insured shown in the Schedule is primary insurance and we will not seek contribution from any other insurance available to that additional insured.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

COMMERCIAL AUTO GOLD ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

SECTION II - LIABILITY COVERAGE

A. COVERAGE

1. WHO IS AN INSURED

The following is added:

- d. Any organization, other than a partnership or joint venture, over which you maintain ownership or a majority interest on the effective date of this Coverage Form, if there is no similar insurance available to that organization.
- e. Any organization you newly acquire or form other than a partnership or joint venture, and over which you maintain ownership of a majority interest. However, coverage under this provision does not apply:
 - (1) If there is similar insurance or a self-insured retention plan available to that organization; or
 - (2) To "bodily injury" or "property damage" that occurred before you acquired or formed the organization.
- f. Any volunteer or employee of yours while using a covered "auto" you do not own, hire or borrow in your business or your personal affairs. Insurance provided by this endorsement is excess over any other insurance available to any volunteer or employee.
- g. Any person, organization, trustee, estate or governmental entity with respect to the operation, maintenance or use of a covered "auto" by an insured, if:
 - (1) You are obligated to add that person, organization, trustee, estate or governmental entity as an additional insured to this policy by:
 - (a) an expressed provision of an "insured contract", or written agreement; or
 - (b) an expressed condition of a written permit issued to you by a governmental or public authority.
 - (2) The "bodily injury" or "property damage" is caused by an "accident" which takes place after:
 - (a) You executed the "insured contract" or written agreement; or
 - (b) the permit has been issued to you.

2. COVERAGE EXTENSIONS

a. Supplementary Payments.

Subparagraphs (2) and (4) are amended as follows:

(2) Up to \$2500 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

(4) All reasonable expenses incurred by the "Insured" at our request, including actual loss of earning up to \$500 a day because of time off from work.

SECTION III - PHYSICAL DAMAGE COVERAGE

A. COVERAGE

The following is added:

5. Hired Auto Physical Damage

or a. Any "auto" you lease, hire, rent or borrow from someone other than your employees or partners members of their household is a covered "auto" for each of your physical damage coverages.

b. The most we will pay for "loss" in any one "accident" is the smallest of:

(1) \$50,000

(2) The actual cash value of the damaged or stolen property as of the time of the "loss"; or

(3) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

If you are liable for the "accident", we will also pay up to \$500 per "accident" for the actual loss of use to the owner of the covered "auto".

c. Our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by an amount that is equal to the amount of the largest deductible shown for any owned "auto" for that coverage. However, any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

d. For this coverage, the insurance provided is primary for any covered "auto" you hire without a driver and excess over any other collectible insurance for any covered "auto" that you hire with a driver.

6. Rental Reimbursement Coverage

based per with for We will pay up to \$75 per day for up to 30 days, for rental reimbursement expenses incurred by you for the rental of an "auto" because of "loss" to a covered "auto". Rental Reimbursement will be on the rental of a comparable vehicle, which in many cases may be substantially less than \$75 day, and will only be allowed for a period of time it should take to repair or replace the vehicle reasonable speed and similar quality, up to a maximum of 30 days. We will also pay up to \$600 reasonable and necessary expenses incurred by you to remove and replace your materials and equipment from the covered "auto".

If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided under paragraph 4. **Coverage Extension.**

7. Lease Gap Coverage

If a long-term leased "auto" is a covered "auto" and the lessor is named as an Additional Insured - Lessor, in the event of a total loss, we will pay your additional legal obligation to the lessor for any difference between the actual cash value of the "auto" at the time of the loss and the "outstanding balance" of the lease.

"Outstanding balance" means the amount you owe on the lease at the time of loss less any amounts representing taxes; overdue payments; penalties, interest or charges resulting from overdue payments; additional mileage charges; excess wear and tear charges; and lease termination fees.

B. EXCLUSIONS

The following is added to Paragraph 3

The exclusion for "loss" caused by or resulting from mechanical or electrical breakdown does not apply to the accidental discharge of an airbag.

Paragraph 4 is replaced with the following:

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, disks or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b. Equipment designed or used for the detection or location of radar.
- c. Any electronic equipment that receives or transmits audio, visual or data signals.

Exclusion 4.c does not apply to:

- (1) Electronic equipment that receives or transmits audio, visual or data signals, whether or not designed solely for the reproduction of sound, if the equipment is permanently installed in the covered "auto" at the time of the "loss" and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or
- (2) Any other electronic equipment that is:
 - (a) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or
 - (b) An integral part of the same unit housing any sound reproducing equipment described in (1) above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

D. DEDUCTIBLE

The following is added: No deductible applies to glass damage if the glass is repaired rather than replaced.

SECTION IV. BUSINESS AUTO CONDITIONS

A. LOSS CONDITIONS

Item 2.a. and b. are replaced with:

2. Duties In The Event of Accident, Claim, Suit, or Loss

- a. You must promptly notify us. Your duty to promptly notify us is effective when any of your executive officers, partners, members, or legal representatives is aware of the accident, claim, "suit", or loss. Knowledge of an accident, claim, "suit", or loss, by other employee(s) does not imply you also have such knowledge.
- b. To the extent possible, notice to us should include:
 - (1) How, when and where the accident or loss took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the accident or loss.

The following is added to 5.

We waive any right of recovery we may have against any additional insured under **Coverage A. 1. Who Is An Insured g.**, but only as respects loss arising out of the operation, maintenance or use of a covered "auto" pursuant to the provisions of the "insured contract", written agreement, or permit.

B. GENERAL CONDITIONS

9. is added

9. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

Your unintentional failure to disclose any hazards existing at the effective date of your policy will not prejudice the coverage afforded. However, we have the right to collect additional premium for any such hazard.

COMMON POLICY CONDITIONS

2.b. is replaced by the following:

- b. 60 days before the effective date of cancellation if we cancel for any other reason.

