

MYA 3000 \* 385

**COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES**  
**(NOT TO EXCEED \$100,000)**

This Professional Services Agreement ("Agreement") is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:

Fonseca/McElroy Grinding Company, Inc.

(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. **SERVICES TO BE PROVIDED.** The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The services are generally described as follows:

Provide on-call rental of a fully operated, fueled and maintained asphalt grinding machine at various locations in the County as directed by the County of Monterey, Resource Management Agency - Department of Public Works.

2. **PAYMENTS BY COUNTY.** County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, 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 \$ 70,000.00.

3. **TERM OF AGREEMENT.** The term of this Agreement is from May 1, 2012 to April 30, 2013, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and CONTRACTOR may not commence work before County signs this Agreement.

4. **ADDITIONAL PROVISIONS/EXHIBITS.** The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

**Exhibit A** Scope of Services/Payment Provisions

5. **PERFORMANCE STANDARDS.**

5.01. CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

5.03. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR

shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

## 6. PAYMENT CONDITIONS.

6.01. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to County. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice as the County may require. The Contract Administrator or his or her designee shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.02. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement.

## 7. TERMINATION

7.01. During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

7.02. The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

8. **INDEMNIFICATION:** Contractor shall indemnify, defend, and hold harmless the County of Monterey (hereinafter "County"), its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by Contractor and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the County. The Contractor shall reimburse the County for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the Contractor is obligated to indemnify, defend and hold harmless the County under this Agreement.

## 9. INSURANCE.

### 9.01. Evidence of Coverage:

Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 Qualifying Insurers:

All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

9.03 Insurance Coverage Requirements: Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$500,000 per occurrence.

Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

Exemption/Modification (Justification attached; subject to approval).

9.04. Other Insurance Requirements:

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the

policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

## 10. RECORDS AND CONFIDENTIALITY.

10.01. Confidentiality. CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

10.02. County Records. When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.

10.03. Maintenance of Records. CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.

10.04. Access to and Audit of Records. The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

10.05. Royalties and Inventions. County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

11. **NON-DISCRIMINATION.** During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

12. **COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT.** If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

13. **INDEPENDENT CONTRACTOR.** In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this

Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

14. **NOTICES.** Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

FOR COUNTY:	FOR CONTRACTOR:
Dalia Mariscal-Martinez, Management Analyst II	Ricardo Buenrostro, Operations Manager
Name and Title	Name and Title
County of Monterey - Resource Management Agency 168 W. Alisal Street, 2nd Floor Salinas, CA 93901	Fonseca/McElroy Grinding Company, Inc. 336 East Gish Road San Jose, CA 95112
Address	Address
(831) 755-8966	(408) 573-9364
Phone	Phone

15. **MISCELLANEOUS PROVISIONS.**

15.01 Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

15.02 Amendment. This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.

15.03 Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

15.04 Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.

15.05 Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

15.06 Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

15.07 Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.

- 15.08 Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 15.09 Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 15.10 Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.
- 15.11 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.
- 15.12 Non-exclusive Agreement. This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 15.13 Construction of Agreement. The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 15.14 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 15.15 Authority. Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.
- 15.16 Integration. This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.
- 15.17 Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

CONTRACTOR

By: [Signature]  
Contracts/Purchasing Officer

Fonseca/McElroy Grinding Company, Inc.

Date: 5-11-12

Contractor's Business Name\*

By: \_\_\_\_\_  
Department Head (if applicable)

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

Approved as to Form<sup>1</sup>

Michael McElroy - President  
Name and Title

By: [Signature]  
Deputy County Counsel

Date: 4/25/12

Date: 5-8-12

Approved as to Fiscal Provisions<sup>2</sup>

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

By: [Signature]  
Auditor/Controller

Lisa McElroy - Secretary  
Name and Title

Date: 4-30-12

Date: 4/25/12

Approved as to Liability Provisions<sup>3</sup>

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.

<sup>1</sup>Approval by County Counsel is required only if changes are made to the standard provisions of the PSA

<sup>2</sup>Approval by Auditor/Controller is required

<sup>3</sup>Approval by Risk Management is required only if changes are made in paragraph 8 or 9

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**EXHIBIT A – SCOPE OF SERVICES/PAYMENT PROVISIONS**

*Revised April 23, 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 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 List. The rates set forth in the 2012 Price List are to remain firm for the initial term of the Agreement 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 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 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. 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 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, 2<sup>nd</sup> Floor, Salinas, CA, which shall be made available to any interested party on request.

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



**2012 Price List**

<b>Skid Steer (w/ attachments)</b>	
• 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)
<b>12"/20"/24" MHL</b>	
• 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)
<b>48" MHL</b>	
• 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)
<b>6'8" MHL</b>	
• 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
<b>7' MHL</b>	
• 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.**

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



# CERTIFICATE OF LIABILITY INSURANCE

FONSEMCEL2

DATE (MM/DD/YYYY)  
3/28/2012

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).

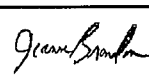
<b>PRODUCER</b> Construction & Real Estate Practice Wells Fargo Insurance Services USA, Inc. - CA Lic#: 0D08408 959 Skyway Road San Carlos, CA 94070	<b>CONTACT NAME:</b> _____ <b>PHONE (A/C, No, Ext):</b> _____ <b>FAX (A/C, No):</b> (650) 413-4497	
	<b>E-MAIL ADDRESS:</b> CertRequests@wellsfargo.com	
<b>INSURED</b> Fonseca/McElroy Grinding Co., Inc. 336 E. Gish Road San Jose CA 95112	<b>INSURER(S) AFFORDING COVERAGE</b>	<b>NAIC #</b>
	<b>INSURER A:</b> National Union Fire Ins. Co. of Pittsburgh, PA	19445
	<b>INSURER B:</b> Navigators Insurance Company	42307
	<b>INSURER C:</b> Commerce & Industry Ins Co	19410
	<b>INSURER D:</b>	
	<b>INSURER E:</b>	

**COVERAGES**      **CERTIFICATE NUMBER:** 4126237      **REVISION NUMBER:** See below

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 INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY	X		4870838	3/1/2012	3/1/2013	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person) \$ 5,000
							PERSONAL & ADV INJURY \$ 1,000,000
							GENERAL AGGREGATE \$ 2,000,000
							PRODUCTS - COMP/OP AGG \$ 2,000,000
A	AUTOMOBILE LIABILITY	X		8263799	3/1/2012	3/1/2013	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS						BODILY INJURY (Per person) \$
	<input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS						BODILY INJURY (Per accident) \$
							PROPERTY DAMAGE (Per accident) \$
							\$
B	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR			SF12EXC746952IV	3/1/2012	3/1/2013	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						AGGREGATE \$ 1,000,000
	DED \$      RETENTION \$						\$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY		N/A	021417754	3/1/2012	3/1/2013	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)						E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES** (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
 87 950 01 05,CG 20 10 07 04,CG 20 37 07 04,90533 (3/06) Re: FMG Job #C11853; County of Monterey - rental equipment for the 2011-12 Slurry Seal and 2012-2013 Chip Seal Projects Various Locations.  
 County of Monterey, its agents, officers and employees is named as additional insured as respects general liability and automobile liability per endorsements attached.

<b>CERTIFICATE HOLDER</b> County of Monterey Contracts/Purchasing Department Attn: Shelly Dickinson 168 West Alisal Street, 3rd Floor Salinas, CA 93901	<b>CANCELLATION</b> 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 

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – SCHEDULED PERSON OR  
ORGANIZATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**SCHEDULE**

Name Of Additional Insured Person(s) Or Organization(s):	Location(s) Of Covered Operations
WHERE REQUIRED BY WRITTEN CONTRACT.	WHERE REQUIRED BY WRITTEN CONTRACT.
Information required to complete this Schedule. If not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. 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. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

ENDORSEMENT

This endorsement, effective 12:01 A.M. 3/1/2012 forms a part of  
policy No. 4870838 issued to Fonseca/McElroy Grinding Co., Inc.

by

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY COVERAGE FOR SPECIFIED PERSONS OR  
ORGANIZATIONS NAMED AS ADDITIONAL INSURED -  
ONGOING AND COMPLETED OPERATIONS

*This endorsement modifies insurance provided under the following:*

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The following paragraph is added to SECTION II - WHO IS AN INSURED and applies only to persons or organizations we have added to your policy as additional insureds by endorsement to comply with insurance requirements of written contracts relative to: a) the performance of your ongoing operations for the additional insureds; or b) "your work" performed for the additional insureds and included in the "products-completed operations hazard":

This insurance is primary over any similar insurance available to any person or organization we have added to this policy as an additional insured. However, this insurance is primary over any other similar insurance only if the additional insured is designated as a named insured in the Declarations of the other similar insurance. We will not require contribution of limits from the other similar insurance if the insurance afforded by this endorsement is primary.

This insurance is excess over any other valid and collectible insurance, whether primary, excess, contingent or on any other basis, if it is not primary as defined in the paragraph above.

All other terms and conditions of the policy are the same.



Authorized Representative or  
Countersignature (in States Where  
Applicable)

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

<b>Name Of Additional Insured Person(s) Or Organization(s):</b>	<b>Location And Description Of Completed Operations</b>
WHERE REQUIRED BY WRITTEN CONTRACT.	WHERE REQUIRED BY WRITTEN CONTRACT.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "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"

**ENDORSEMENT**

This endorsement, effective 12:01 A.M.

forms a part of 8263799

policy No. 3/1/2012

issued to Fonseca/McElroy Grinding Co., Inc:

by

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - WHERE REQUIRED UNDER CONTRACT OR AGREEMENT**

*This endorsement modifies insurance provided under the following:*

**BUSINESS AUTO COVERAGE FORM**

**SCHEDULE**

**ADDITIONAL INSURED:**

**WHERE REQUIRED BY WRITTEN CONTRACT.**

**I. SECTION II - LIABILITY COVERAGE, A. Coverage, 1. - Who is Insured, is amended to add:**

d. Any person or organization, shown in the schedule above, to whom you become obligated to include as an additional insured under this policy, as a result of any contract or agreement you enter into which requires you to furnish insurance to that person or organization of the type provided by this policy, but only with respect to liability arising out of use of a covered "auto". However, the insurance provided will not exceed the lesser of:

- (1) The coverage and/or limits of this policy, or
- (2) The coverage and/or limits required by said contract or agreement.

**PRIMARY INSURANCE:**

IT IS UNDERSTOOD AND AGREED THAT THIS INSURANCE IS PRIMARY AND ANY OTHER INSURANCE MAINTAINED BY THE ADDITIONAL INSUREDS SHALL BE EXCESS ONLY AND NOT CONTRIBUTING WITH THIS INSURANCE.



Authorized Representative or  
Countersignature (in States Where  
Applicable)

87950 (10/05)

Page 1 of 1



# COUNTY OF MONTEREY PURCHASE ORDER

ORDER DATE 05-31-2012

DO 3000 0000002779

**IMPORTANT**

THE ABOVE NUMBER AND SHIP TO DEPARTMENT MUST APPEAR ON ALL SHIPPING LABELS, PACKING SLIPS, TRANSPORT DOCUMENTS, INVOICES AND CORRESPONDENCE.

**VENDOR**  
Fonseca McElroy Grinding Co., Inc.  
336 E. Gish Rd.  
San Jose CA 95112

**S H I P T O**  
PUBLIC WRK  
168 W. ALISAL ST.,  
2ND FLOOR  
SALINAS CA 93901

**B I L L T O**  
RMA FINANCE  
168 W ALISAL STREET  
2ND FLOOR  
SALINAS CA 93901

VENDOR NUMBER: VS0000002558

DELIVERY DATE:

F.O.B.:

ITEM	QUANTITY	UNIT	COMMODITY CODE	ITEM DESCRIPTION	UNIT PRICE	SALES TAX	EXTENDED PRICE
1	0.0		97566	PURCH DESC: PROFESSIONAL SERVICES AGREEMENT (PSA) (MYA 3000*385) WITH FONSECA/MCELROY GRINDING COMPANY, INC. AND THE COUNTY OF MONTEREY TO PROVIDE ON-CALL RENTAL OF A FULLY OPERATED, FUELED AND MAINTAINED ASPHALT GRINDING MACHINE AT VARIOUS LOCATIONS IN THE COUNTY AS DIRECTED BY THE COUNTY OF MONTEREY RESOURCE MANAGEMENT AGENCY - DEPARTMENT OF PUBLIC WORKS IN THE AMOUNT NOT TO EXCEED \$70,000. THE TERM OF THIS PSA IS FROM MAY 1, 2012 TO APRIL 30, 2013. THE TERM OF THIS DO IS VALID FROM MAY 1, 2012 TO JUNE 30, 2012.  COMM LINE DESC: Rd & HWY Equip (Not Othwise Classified) Rent/Lease 002 - 3000 - 8195 - RMA012 - 6821 - - - - - 70000.00	.00	.00	70,000.00

**RECEIVED**  
BY: *[Signature]* DATE: 6/15/12

THE SHADED ROWS ARE FOR MONTEREY COUNTY DEPARTMENT USE ONLY  
All Vendors are required to review the Monterey County general terms and conditions which apply to all contracts, purchase orders, and other electronic procurements made with the County unless otherwise noted. Said terms and conditions can be found on the County website at [http://www.co.monterey.ca.us/admin/terms\\_conditions.htm](http://www.co.monterey.ca.us/admin/terms_conditions.htm)

ORDER TOTAL 70,000.00

TAX EXEMPTION INFORMATION:  
FEDERAL EXCISE TAX EXEMPTION NUMBER 94-6000524

COUNTY BUYER INFORMATION  
TELEPHONE:  
EMAIL:

AUTHORIZED BY COUNTY OF MONTEREY  
DEPUTIZED PURCHASING AGENT

*[Signature: Michael R. Ten]*

PRINT DATE: 06/05/12

CONTRACTS/PURCHASING DIVISION  
168 W. Alisal St. 3rd Floor, Salinas, CA 93901