



City of Sacramento City Council

915 I Street, Sacramento, CA, 95814
www.CityofSacramento.org

Meeting Date: 8/21/2012

Report Type: Consent

Title: Contract: 2012 Street Seal Coat Project

Report ID: 2012-00698

Location: Districts 1, 2, 4 and 7

Recommendation: Pass a Resolution 1) appropriating and transferring of funds; 2) approving specifications for the 2012 Street Seal Coat Project; and 3) awarding the construction contract to Western Pavement Solutions for an amount not to exceed \$1,592,647 for 2012 Street Seal Coat Project which includes resurfacing and striping for the Downtown On-Street Bikeway Project (K15116800).

Contact: Greg Smith, Associate Civil Engineer, (916) 808-8364; Nicholas Theocharides, Engineering Services Manager, Department of Public Works

Presenter: None

Department: Public Works Department

Division: Civil & Electrical Design

Dept ID: 15001131

Attachments:

- 1- Description/Analysis
- 2 - Background Information
- 3 - Resolution
- 4 - Exhibit A - Resurfacing Types
- 5 - Exhibit B - Maps of 2012 Street Seal Coat Project
- 6 – Agreement with Western Pavement Solutions

City Attorney Review

Approved as to Form
Gerald Hicks
8/10/2012 3:33:27 PM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
8/2/2012 4:04:52 PM

Approvals/Acknowledgements

Department Director or Designee: Jerry Way - 8/9/2012 10:53:26 AM

Description/Analysis

Issue: The 2012 Street Seal Coat Project was advertised and bids were received on July 18, 2012. Western Pavement Solutions is the lowest responsive and responsible bidder. City Council approval is necessary to move forward with awarding a construction contract.

Policy Considerations: The action requested is consistent with Title 3 of the Sacramento City Code, and with City of Sacramento Strategic Plan goals of achieving sustainability and neighborhood livability.

Economic Impacts: This new infrastructure and public works project is expected to create 6.38 total jobs (3.67 direct jobs and 2.71 jobs through indirect and induced activities) and create \$984,929 in total economic output (\$620,808 of direct output and another \$364,121 of output through and induced activities).

The indicated economic impacts are estimates calculated using a calculation tool developed by the Center for Strategic Economic Research (CSER). CSER utilized the IMPLAN input-output model (2009 coefficients) to qualify the economic impacts of a hypothetical \$1 million of spending in various construction categories within the City of Sacramento in an average one-year period. Actual impacts could differ significantly from the estimates and neither the city of Sacramento nor CSER shall be held responsible for consequences resulting from such differences.

Environmental Considerations:

California Environmental Quality Act (CEQA): The Community Development Department, Environmental Planning Services Division has determined this project is exempt from the provisions of the CEQA under Class 1, Section 15301(c).

Projects exempted under Class 1, Section 15301 (c) consist of the operation, repair or minor alteration to existing highways and streets, sidewalks, bicycle and pedestrian trails, and similar facilities.

Sustainability Considerations: This project is consistent with the City's Sustainability Master Plan. It conforms to the Air Quality Focus Area by improving and optimizing transportation infrastructure.

Other: None.

Commission/Committee Action: None.

Rationale for Recommendation: Western Pavement Solutions is the lowest responsive and responsible bidder.

Financial Considerations: The 2012 Street Overlay and Seal Program (R15122000) has a total budget of \$2,854,051 consisting of local transportation funds. As of July 26, 2012, the 2012 Street Overlay and Seal Program (R15122000) has an unobligated

balance of \$1,729,259. Approving the transfer referenced below will amend the total budget to \$3,144,531 and the unobligated balance to \$2,019,739, which is sufficient to execute the contract with Western Pavement Solutions in the amount of \$864,467 for the 2012 Street Seal Coat Project, cover construction management costs and finish the 2012 Street Overlay and Seal Program.

2012 Street Overlay and Seal Program budget adjustments:

\$100,000 from the 2011 Street Repair Partnering Program (R15112600)

\$ 94,000 from the 2012 Trench Cut Fee Program (R15122500)

\$100,000 from the 2013 Trench Cut Fee Program (R15132500)

(\$ 3,520) to the Downtown On-Street Bikeway Project (K15116800)

\$290,480

The Downtown On-Street Bikeway Project (K15116800) has a total budget of \$629,000 consisting of local transportation funds. As of July 26, 2012, the Downtown On-Street Bikeway Project (K15116800) has an unobligated balance of \$536,272. Approval of the appropriation of \$300,000 of Gas Tax Contingency and the transfer of \$3,520 from the 2012 Street Overlay and Seal Program will increase the total budget to \$932,520 and the unobligated balance to \$839,792, which is sufficient to execute the contract with Western Pavement Solutions in the amount of \$728,180 for the Downtown On-Street Bikeway Project (K15116800) and cover construction management costs.

The 2011 Street Repair Partnering Program (R15112600) has a total budget of \$100,000 consisting of Measure A Construction funds (Fund 2025). As of July 26, 2012, the 2011 Street Repair Partnering Program (R15112600) has an unobligated balance of \$100,000, which is sufficient to complete the transfer of \$100,000 to the 2012 Street Overlay and Seal Program.

The 2012 Trench Cut Fee Program (R15122500) has a total budget of \$94,000 consisting of local transportation funds. As of July 26, 2012, the 2012 Trench Cut Fee Program (R15122500) has an unobligated balance of \$94,000, which is sufficient to complete the transfer of \$94,000 to the 2012 Street Overlay and Seal Program.

The 2013 Trench Cut Fee Program (R15132500) has a total budget of \$100,777 consisting of local transportation funds. As of July 26, 2012, the 2013 Trench Cut Fee Program (R15132500) has an unobligated balance of \$100,777, which is sufficient to complete the transfer of \$100,777 to the 2012 Street Overlay and Seal Program.

There are no general funds planned or allocated for this project.

The Western Pavement Solutions contract will resurface streets and provide seal coat services in the amount of \$1,592,647 per the following project distribution:

2012 Street Overlay and Seal Program (R15112000)	\$864,467
Downtown On-Street Bikeway (K15116800)	<u>\$728,180</u>
	\$1,592,647

Emerging Small Business Development (ESBD): The City's ESBE goal is 20%. To encourage small and emerging business participation, plans and specifications were sent to 18 plan rooms and construction service organizations for publication. All are directly involved with ESBE construction firms. The project was also announced on the City's Project Internet site at www.cityofsacramento.org/bids. Western Pavement Solutions is providing 22.1% ESBE participation.

Background Information:

The Street Seal Coat Program is an annual preventative maintenance strategy applied to street surfaces approximately once every ten years to extend the useful life of the existing pavement. The Street Services Division developed the existing ten-year program to maintain the quality of City streets in a cost effective manner within the available funds. The residential and arterial streets are shown in Exhibit B of the Resolution.

This project includes resurfacing and striping services for the Downtown On-Street Bikeway Project (K15116800). The project purpose is to improve bicycle access within the Central City by creating a broader network of striped bike lanes which provides a safer environment for bicycle travel.

This project was advertised and two bids were received on July 18, 2012. The bids are summarized below:

Contractor	Bid Amount	ESBE Participation (Goal 20%)	Responsive
Western Pavement Solutions	\$1,592,647	22.1	Yes
Valley Slurry Seal Company	\$1,639,833	24.3	Yes

The engineer’s construction estimate was \$1,300,000. It is recommended that the Contract be awarded to Western Pavement Solutions for its lowest responsive and responsible bid.

Construction is anticipated to start in August 2012 and be completed in September 2012.



RESOLUTION NO.

Adopted by the Sacramento City Council

APPROVING SPECIFICATIONS AND AWARDING A CONSTRUCTION CONTRACT FOR THE 2012 STREET SEAL COAT PROJECT

BACKGROUND

- A. The Street Seal Coat Program is an annual preventative maintenance strategy applied to street surfaces approximately once every ten years to extend the useful life of the existing pavement. The Street Services Division developed the existing ten-year program to maintain the quality of City streets in a cost effective manner within the available funds. The residential and arterial streets are shown in Exhibit B of the Resolution.
- B. This project also includes resurfacing and striping services for the Downtown On-Street Bikeway Project. The project purpose is to improve bicycle access within the Central City by creating a broader network of striped bike lanes which provides a safer environment for bicycle travel.
- C. This project was advertised and two bids were received on July 18, 2012. Western Pavement Solutions is the lowest responsive and responsible bidder.
- D. Construction is anticipated to start in August 2012 and to be completed in September 2012.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. FY2012/13 Capital Improvement Program is amended by transferring \$3,520 of Gas Tax Funds (Fund 2002) from the 2012 Street Overlay and Seal Program (R15122000) to the Downtown On-Street Bikeway Project (K15116800).
- Section 2. FY2012/13 Capital Improvement Program is amended by transferring \$100,000 (Measure A Construction, Fund 2025) from the 2011 Street Repair Partnering Program (R15112600) to the 2012 Street Overlay and Seal Program (R15122000) to support the 2012 Street Seal Coat Project.
- Section 3. FY2012/13 Capital Improvement Program is amended by transferring \$94,000 of Street Cut Funds (Fund 2008) from the 2012 Trench Cut Fee Program (R15122500) to the 2012 Street Overlay and Seal Program (R15122000) to support the 2012 Street Seal Coat Project.

- Section 4. FY2012/13 Capital Improvement Program is amended by transferring \$100,777 of Street Cut Funds (Fund 2008) from the 2013 Trench Cut Fee Program (R15132500) to the 2012 Street Overlay and Seal Program (R15122000) to support the 2012 Street Seal Coat Project.
- Section 5. FY2012/13 Capital Improvement Program is amended by appropriating \$300,000 from Gas Tax Contingency to the Downtown On-Street Bikeway Project (K15116800).
- Section 6. The Specifications for the 2012 Street Seal Coat Project are approved.
- Section 7. The contract for the 2012 Street Seal Coat Project, which includes resurfacing and striping services for the Downtown On-Street Bikeway Project (K15116800), is awarded to Western Pavement Solutions for an amount not to exceed \$1,592,647 (\$864,467 - R15122000 and \$728,180 - K15116800).
- Section 8. Exhibits A and B are attached and are part of this resolution.

Table of Contents:

Exhibit A: Resurfacing Types – 1 Page

Exhibit B: Maps of 2012 Street Seal Coat Project – 7 Pages



RESURFACING TYPES

The City's 2012 Street Seal Coat Project utilizes lower cost preventative maintenance treatments to reduce the need for more costly overlays and street reconstructions in the future. Following are the treatments being used on streets for 2012:

Slurry Seal – The majority of our streets will receive this type of resurfacing treatment. It's a blend of oil and small rocks which is a one day preventative maintenance procedure.

Microsurfacing – This type of resurfacing is similar to a Slurry Seal but has polymers added to the mix design to increase product durability and strength. This treatment is typically placed on heavily traveled roadways.

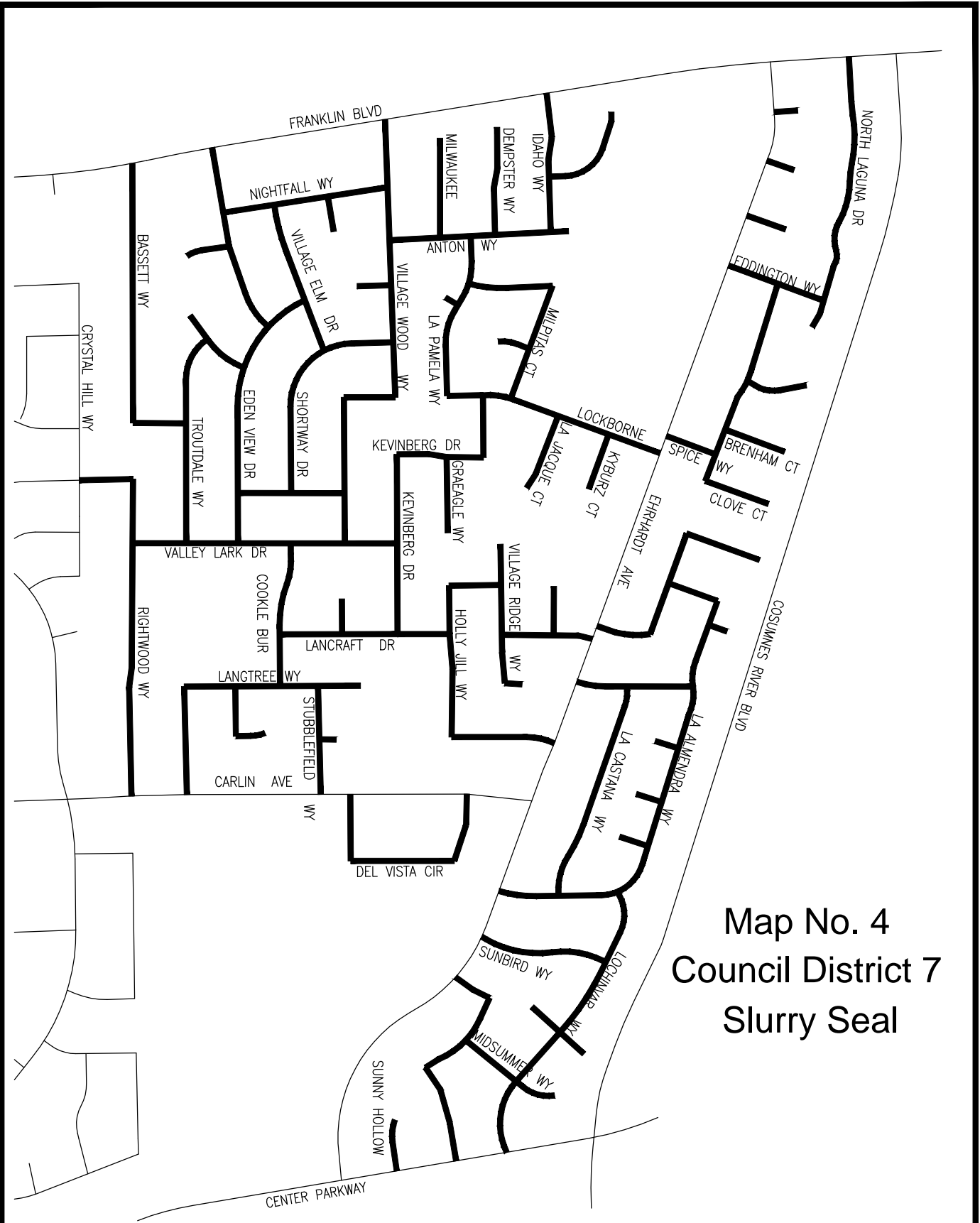
Map No. 3 Council District 2 Microsurfacing



THE 2012 STREET SEAL COAT PROJECT
PN: R15122020

Map Contact
K. CHAHAL

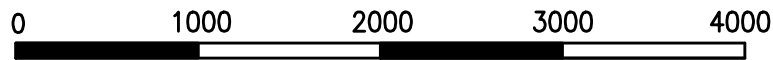
JUNE 4, 2012



Map No. 4
 Council District 7
 Slurry Seal

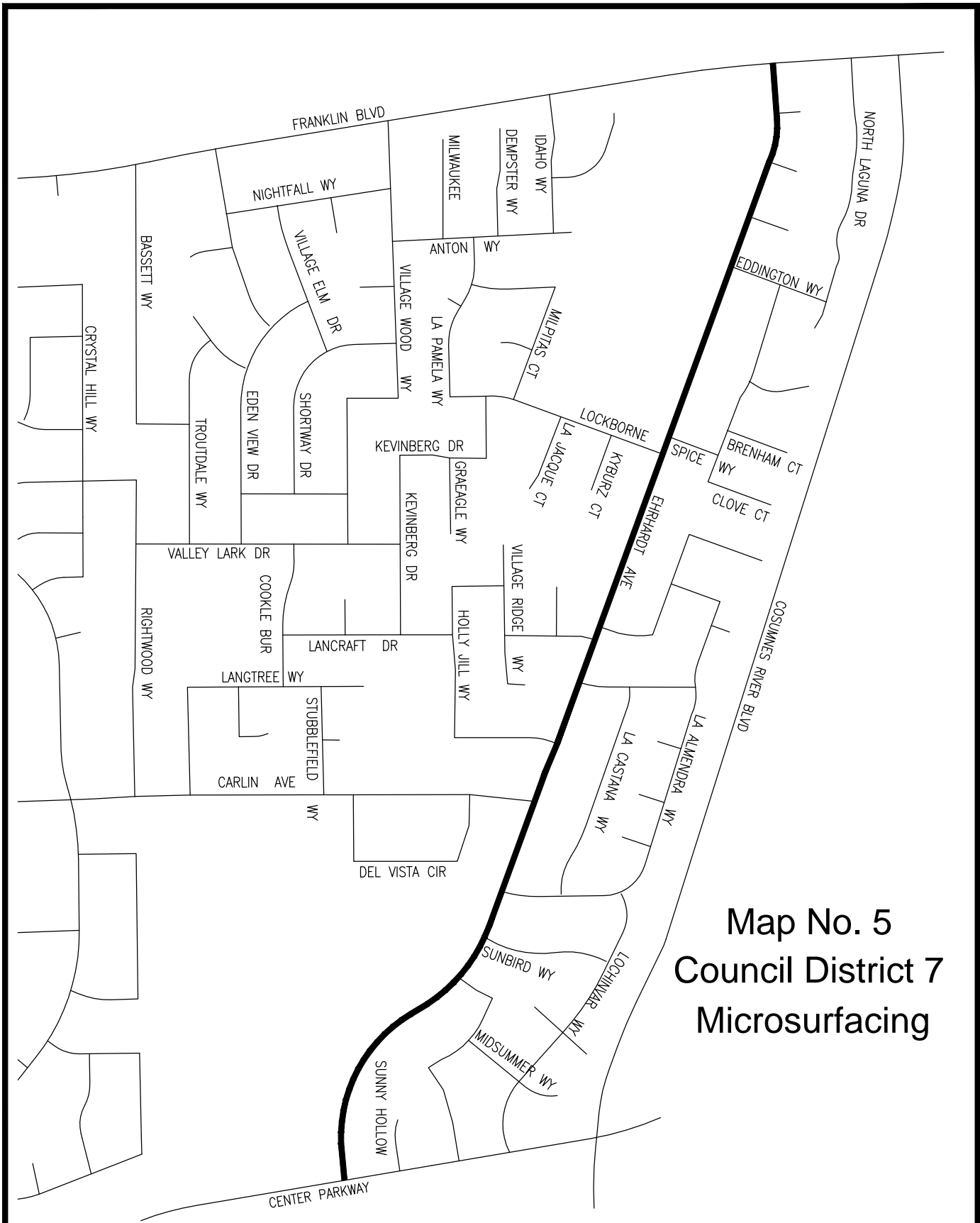


Map Contact
 K. CHAHAL



THE 2012 STREET SEAL COAT PROJECT

PN: R15122020



Map No. 5
 Council District 7
 Microsurfacing



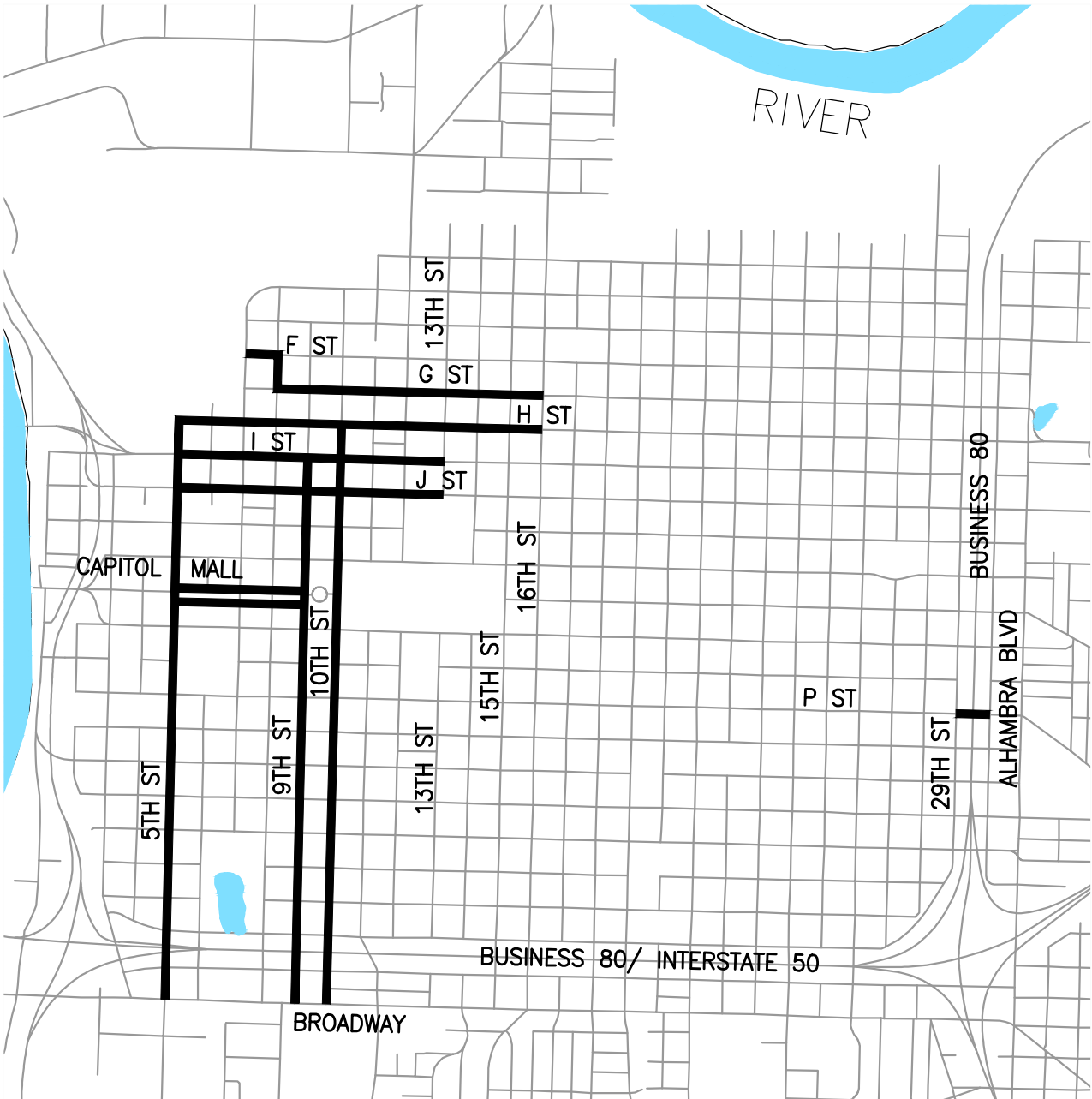
Map Contact
 K. CHAHAL



THE 2012 STREET SEAL COAT PROJECT

PN: R15122020

Map No.6 Council District 4 Microsurfacing



Map Contact
K. CHAHAL

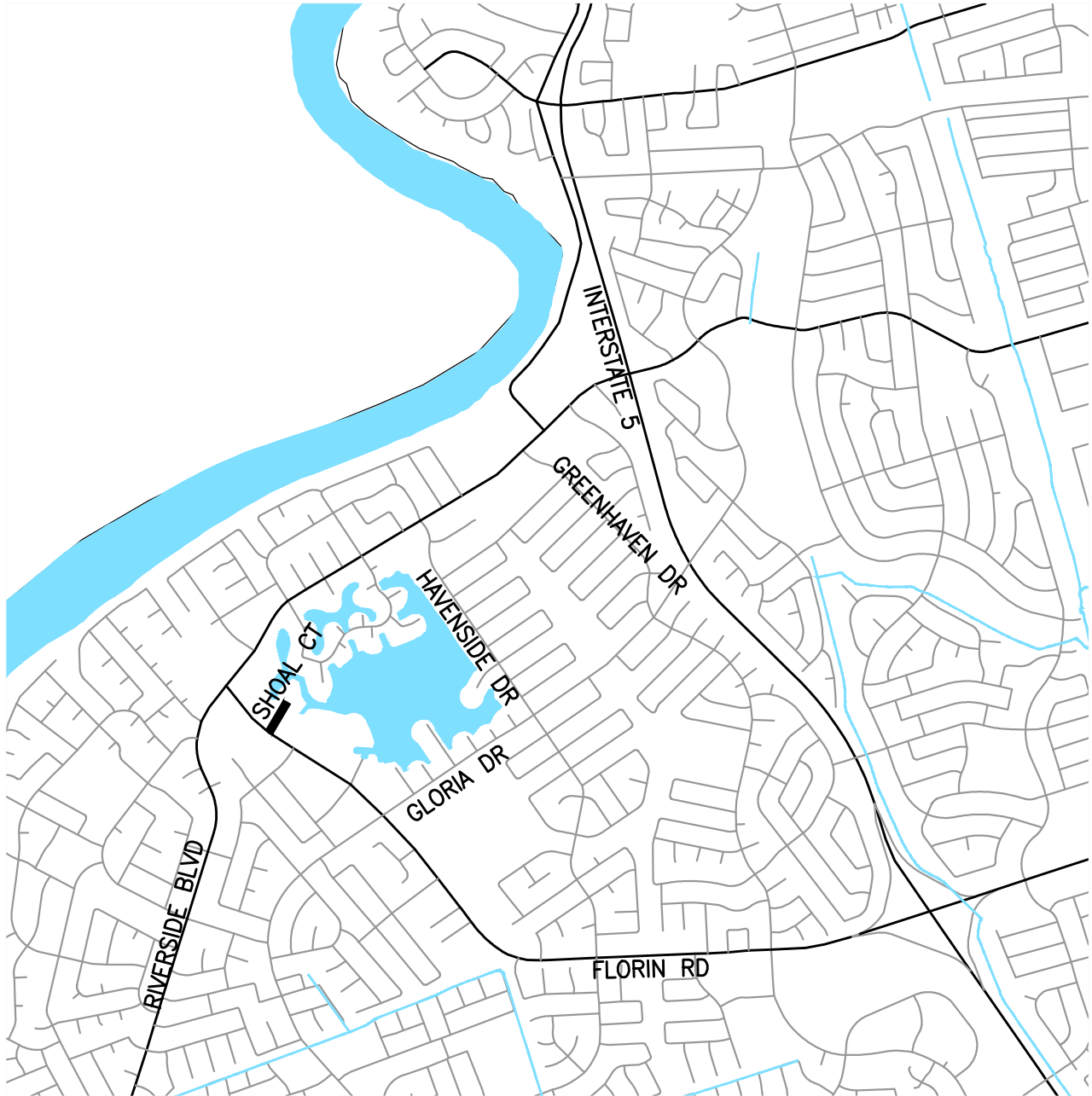


THE 2012 STREET SEAL COAT PROJECT
PN: R15122020



JUNE 4, 2012

(Addendum No.1)
Map No.7
Council District 7
Double-Microsurfacing



Map Contact
K. CHAHAL

THE 2012 STREET SEAL COAT PROJECT

PN: R15122020

JULY 12, 2012

AGREEMENT
(Construction Contract Over \$25,000)

THIS AGREEMENT, dated for identification August 21, 2012, is made and entered into between the CITY OF SACRAMENTO, a municipal corporation ("City"), and Western Pavement Solutions, 135 S. State College Blvd, Suite 400 Brea, CA 92821 ("Contractor").

The City and Contractor hereby mutually agree as follows:

1. CONTRACT DOCUMENTS

The Contract Documents, sometimes also referred to as the "Contract," consist of the following items, which are hereby incorporated by reference as if set forth in full in this Agreement:

The Notice to Contractors
The Proposal Form submitted by the Contractor
The Instructions to Bidders
The Emerging and Small Business Enterprise (ESBE) Requirements
The Requirements for the Non-Discrimination in Employee Benefits by City Contractors Ordinance and the Declaration of Compliance
The City's Reference Guide for Construction Contracts
The Addenda, if any
This Agreement
The Standard Specifications
The Special Provisions
The Plans and Technical Specifications
The drawings and other data and all developments thereof prepared by City pursuant to the Contract
Any modifications of any of the foregoing made or approved by City, including but not limited to duly authorized change orders.

Unless specifically noted otherwise, references to the "Standard Specifications" shall mean and refer to the Standard Specifications for Public Construction of the City of Sacramento approved by the Sacramento City Council on June 4, 2007 (Resolution No. 2007-350), and any subsequent amendments thereto approved by the Sacramento City Council or the Sacramento City Manager. Work called for in any one Contract Document and not mentioned in another is to be performed and executed as if mentioned in all Contract Documents. The table of contents, titles and headings contained in the Contract Documents are provided solely to facilitate reference to various provisions of the Contract Documents and in no way affect or limit the interpretation of the provisions to which they refer.

2. DEFINITIONS

Unless otherwise specifically provided herein, all words and phrases defined in the Standard Specifications shall have the same meaning and intent in this Agreement.

3. AGREEMENT CONTROLS

In the event of a conflict between any of the terms and conditions set forth in this Agreement and the terms and conditions set forth in other Contract Documents, the terms and conditions set forth in this Agreement shall prevail, except that the provisions of any duly authorized change order shall prevail over any conflicting provisions of this Agreement.

4. SCOPE OF CONTRACT

Contractor agrees to furnish all tools, equipment, apparatus, facilities, labor, material and transportation necessary to perform and complete in a good and workmanlike manner to the satisfaction of City, all the Work called for in the Contract Documents entitled:

2012 Street Seal Coat Project

(PN: R15122020)

including the Work called for in the following alternative bid items described in the Proposal Form:

Contractor agrees to perform such Work in the manner designated in and in strict conformity with the Contract Documents.

5. CONTRACT AMOUNT AND PAYMENTS

City agrees to pay and Contractor agrees to accept, as complete payment for the above Work, in accordance with the schedule and procedures set forth in the Contract Documents and subject to deductions, withholdings and additions as specified in the Contract Documents, a total sum that shall not exceed the total bid amount set forth in Contractor's Proposal Form. In addition, subject to deductions, withholdings and additions as specified in the Contract Documents, payment for individual items of the Work shall be computed as follows:

(A) For items of the Work for which a lump sum price is specified in Contractor's Proposal Form, Contractor shall be paid the lump sum price(s) specified in Contractor's Proposal Form; and

(B) For items of the Work for which a unit price is specified in Contractor's Proposal Form, Contractor shall be paid the sum computed at such unit price, or computed at a different price if such different price is determined by City in accordance with the Standard Specifications, based on the actual amount of each such item performed and/or furnished and incorporated in the Work; provided that in no event shall the total sum for a unit price item exceed the total bid amount set forth for such item in the Contractor's Proposal Form, unless authorized by Change Order.

6. PROGRESS PAYMENTS

Subject to the terms and conditions of the Contract, City shall cause payments to be made upon demand of Contractor as follows:

(A) On or about the first of the month, the Engineer shall present to the Contractor a statement showing the amount of labor and materials incorporated in the Work through the twentieth (20) calendar day of the preceding month. After both Contractor and Engineer approve

the statement in writing, and the City's labor compliance officer provides written approval, the City shall issue a certificate for ninety-five (95) percent of the amount it shall find to be due, subject to any deductions or withholdings authorized or required under the Contract or any applicable Laws or Regulations.

(B) No inaccuracy or error in said monthly estimates shall operate to release Contractor from damages arising from such Work or from enforcement of each and every provision of the Contract Documents, and City shall have the right subsequently to correct any error made in any estimate for payment.

(C) Contractor shall not be paid for any defective or improper Work.

(D) The remaining five (5) percent of the value of the Work performed under the Contract, if unencumbered and subject to any deductions or withholdings authorized or required under the Contract or any applicable Laws or Regulations, shall be released not later than sixty (60) days after completion and final acceptance of the Work by City. Acceptance by Contractor of the final payment shall constitute a waiver of all claims against the City arising under the Contract Documents, except for disputed claims in stated amounts that the Contractor specifically reserves in writing, but only to the extent that the Contractor has complied with all procedures and requirements applicable to the presentation and processing of such claim(s) under the Contract Documents. Contractor shall be entitled to substitute securities for retention or to direct that payments of retention be made into escrow, as provided in Public Contract Code Section 22300, upon execution of the City's Escrow Agreement for Security Deposits in Lieu of Retention.

(E) The parties agree that, for purposes of the timely progress payment requirements specified in Public Contract Code Section 20104.50, the date that the City receives a statement jointly approved by the Contractor and the Engineer as provided above shall be deemed to constitute the date that City receives an undisputed and properly submitted payment request from the Contractor. Progress payments not made within 30 days after this date may be subject to payment of interest as provided in Public Contract Code Section 20104.50.

7. RETENTION OF SUMS CHARGED AGAINST CONTRACTOR

When, under the provisions of this Contract or any applicable Laws or Regulations, City is authorized or required to withhold, deduct or charge any sum of money against Contractor, City may deduct and retain the amount of such charge from the amount of the next succeeding progress estimate(s), or from any other moneys due or that may become due Contractor from City. If, on completion or termination of the Contract, sums due Contractor are insufficient to pay City's charges, City shall have the right to recover the balance from Contractor or its Sureties.

8. COMMENCEMENT AND PROSECUTION OF WORK

Contractor shall commence the Work not later than fifteen (15) working days after the date of the written Notice to Proceed from City to Contractor and shall diligently prosecute the Work to final completion. The phrase "commence the Work" means to engage in a continuous program on-site including, but not limited to, site clearance, grading, dredging, land filling and the fabrications, erection, or installation of the Work. The Notice to Proceed shall be issued within fifteen (15) calendar days following execution of the Agreement by the City and the filing by Contractor of the required Bonds and proof of insurance, provided that the Engineer may delay issuance of the

Notice to Proceed if the Engineer determines in the Engineer's sole discretion that conditions on the site of the Work are unsuitable for commencement of the Work. After the Notice to Proceed is issued, the continuous prosecution of Work by Contractor shall be subject only to Excusable Delays as defined in this Agreement.

9. TIME OF COMPLETION

The entire Work shall be brought to completion in the manner provided for in the Contract Documents on or before **35 calendar days** from the date of the Notice to Proceed (hereinafter called the "Completion Date") unless extensions of time are granted in accordance with the Contract Documents.

Failure to complete the entire Work by the Completion Date and in the manner provided for in the Contract Documents shall subject Contractor to liquidated damages as provided in this Agreement. Time is and shall be of the essence in the performance of the Contract and the Work.

10. PAYMENTS DO NOT IMPLY ACCEPTANCE OF WORK

The payment of any progress payment, or the acceptance thereof by Contractor, shall not constitute acceptance of the Work or any portion thereof and shall in no way reduce the liability of Contractor to replace unsatisfactory work or material, whether or not the unsatisfactory character of such work or material was apparent or detected at the time such payment was made.

11. ACCEPTANCE NOT RELEASE

Contractor shall correct immediately any defective or imperfect work or materials that may be discovered before final acceptance of the entire Work, whether or not such defect or imperfection was previously noticed or identified by the City. The inspection of the Work, or any part thereof, shall not relieve Contractor of any of its obligations to perform satisfactory work as herein specified.

Failure or neglect on the part of City or any of its officers, employees or authorized agents to discover, identify, condemn or reject defective or imperfect work or materials shall not be construed to imply an acceptance of such work or materials, if such defect or imperfection becomes evident at any time prior to final acceptance of the entire Work, nor shall such failure or neglect be construed as barring City from enforcing Contractor's warranty(ies) or otherwise recovering damages or such a sum of money as may be required to repair or rebuild the defective or imperfect work or materials whenever City may discover the same, subject only to any statutes of limitation that may apply to any such claim.

12. CITY'S RIGHT TO TAKE POSSESSION OF THE WORK IN WHOLE OR IN PART

The City shall have the right at any time to enter upon the Work and perform work not covered by this Contract, or to occupy and use a portion of the Work, prior to the date of the final acceptance of the Work as a whole, without in any way relieving Contractor of any obligations under this Contract.

13. NO WAIVER OF REMEDIES

Neither the inspection by City, its officers, employees or agents, nor any certificate or other approval for the payment of money, nor any payment for, nor acceptance of the whole or any part

of the Work by City, nor any extensions of time, nor any position taken by City, its officers, employees or its agents shall operate as a waiver of any provision of the Contract Documents nor of any power herein reserved to City or any right to damages herein provided, nor shall any waiver of any breach of this Agreement be held to be a waiver of any other or subsequent breach. All remedies provided in the Contract Documents shall be taken and construed as cumulative; in addition to each and every other remedy herein provided, the City shall have any and all equitable and legal remedies that it would in any case have.

14. WARRANTY

Except as otherwise expressly provided in the Contract Documents, and excepting only items of routine maintenance, ordinary wear and tear and unusual abuse or neglect by City, Contractor warrants and guarantees all Work executed and all supplies, materials and devices of whatsoever nature incorporated in or attached to the Work, or otherwise provided as a part of the Work pursuant to the Contract, to be absolutely free of all defects of workmanship and materials for a period of one year after final acceptance of the entire Work by the City. Contractor shall repair or replace all work or material, together with any other work or material that may be displaced or damaged in so doing, that may prove defective in workmanship or material within this one year warranty period without expense or charge of any nature whatsoever to City.

In the event that Contractor shall fail to comply with the conditions of the foregoing warranty within ten (10) days after being notified of the defect in writing, City shall have the right, but shall not be obligated, to repair, or obtain the repair of, the defect and Contractor shall pay to City on demand all costs and expense of such repair. Notwithstanding anything herein to the contrary, in the event that any defect in workmanship or material covered by the foregoing warranty results in a condition that constitutes an immediate hazard to public health or safety, or any property interest, or any person, City shall have the right to immediately repair, or cause to be repaired, such defect, and Contractor shall pay to City on demand all costs and expense of such repair. The foregoing statement relating to hazards to health, safety or property shall be deemed to include both temporary and permanent repairs that may be required as determined in the sole discretion and judgment of City.

In addition to the above, the Contractor shall make a written assignment of all manufacturer's and other product warranties to the City, prior to completion and final acceptance of the Work by City.

The Contractor's Performance Bond shall secure the performance of the Contractor's obligations under this Section 14, and the Contractor and its Surety shall be jointly and severally liable for these obligations.

15. LIQUIDATED DAMAGES IF WORK NOT COMPLETED ON TIME

(A) The actual fact of the occurrence of damages and the actual amount of the damages that City would suffer if the entire Work, and/or any specified portion thereof, were not completed within the time(s) specified herein are dependent upon many circumstances and conditions that could prevail in various combinations, and for this reason, it is impracticable and extremely difficult to fix the actual damages. Damages that City would suffer in the event of such delay include: loss of the use of the project; expenses of prolonged assignment to the project of an architectural and/or engineering staff; prolonged costs of administration, inspection, and supervision; increased operational expenses and/or impaired operation of other facilities

dependent upon completion of the project; and the loss and inconvenience suffered by the public within the City of Sacramento by reason of the delay in the completion of the project or portion thereof. Accordingly, the parties agree, and by execution of this Agreement, Contractor acknowledges that it understands and agrees, that the amount(s) set forth herein as liquidated damages reflect the parties' best efforts at the time of entering into the Contract to estimate the damages that may be incurred by City and the public due to the Contractor's delay in completion of the Work and/or any specified portion thereof, and shall be presumed to be the amount of damages sustained by the failure of Contractor to complete the entire Work and/or any specified portion thereof within the time(s) specified herein.

(B) Contractor shall pay liquidated damages to City for failure to complete the entire Work by the Completion Date (as extended in accordance with the Contract Documents, if applicable) in the amount of nine hundred and ten dollars (\$910) for each calendar day after the Completion Date (as extended in accordance with the Contract Documents, if applicable), continuing to the time at which the entire Work is completed. Such amount is the actual cash value agreed upon by the City and Contractor as the loss to City and the public resulting from Contractor's default.

The parties agree, and by execution of this Agreement, Contractor acknowledges that it understands and agrees, that the foregoing provisions provide for the imposition of liquidated damages from the Completion Date (as extended in accordance with the Contract Documents, if applicable) until the date of completion of the entire Work as determined by the Engineer in accordance with Section 8-4 of the Standard Specifications, whether or not the Work or any portion thereof is claimed or determined to be substantially complete prior to such date of completion.

(C) In the event Contractor shall become liable for liquidated damages, City, in addition to all other remedies provided by law, shall have the right to withhold any and all payments that otherwise would be or become due Contractor until the liability of Contractor under this section is finally determined. City shall have the right to use and apply such payments, in whole or in part, to reimburse City for all liquidated damages due or to become due to City. Any remaining balance of such payments shall be paid to Contractor only after discharge in full of all liability incurred by Contractor under this section or otherwise under any provision of the Contract Documents or any applicable Law or Regulation. If the sum so retained by City is not sufficient to discharge all such liabilities of Contractor, Contractor shall continue to remain liable to City until all such liabilities are satisfied in full. No failure by City to withhold any payment as specified above shall in any manner be construed to constitute a release of any such liabilities nor a waiver of the City's right to withhold payment for such liabilities.

16. INDEMNITY AND HOLD HARMLESS

(A) Contractor shall defend, hold harmless and indemnify the City, its officers, employees, and agents, and each and every one of them, from and against any and all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, costs and expenses of every type and description, whether arising on or off the site of the Work, including, but not limited to, any fees and/or costs reasonably incurred by City's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), including but not limited to Liabilities arising from personal injury or death, damage to personal, real or intellectual property or the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform the Work by the Contractor, any

subcontractor or agent, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, whether or not (i) such Liabilities are caused in part by a party indemnified hereunder, or (ii) such Liabilities are litigated, settled or reduced to judgment; provided that the foregoing indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, damage or expense to the extent arising from (i) the sole negligence or willful misconduct of, or defects in design furnished by, City, its agents, servants, or independent contractors who are directly responsible to City, or (ii) the active negligence of City.

(B) The existence or acceptance by City of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of City's rights under this Section 16, nor shall the limits of such insurance limit the liability of Contractor hereunder. The provisions of this Section 16 shall survive any expiration or termination of the Contract.

17. CONTRACTOR SHALL ASSUME RISKS

Until the completion and final acceptance by City of all Work under this Contract, the Work shall be under Contractor's responsible care and charge, and Contractor, at no cost to City, shall rebuild, repair, restore and make good all injuries, damages, re-erections, and repairs occasioned or rendered necessary by accidental causes of any nature, to all or any portions of the Work.

18. GENERAL LIABILITY OF CONTRACTOR

Except as otherwise herein expressly stipulated, Contractor shall perform all the Work and furnish all the labor, materials, tools, equipment, apparatus, facilities, transportation, power and light, and appliances, necessary or proper for performing and completing the Work herein required in the manner and within the time herein specified. The mention of any specific duty or liability of Contractor shall not be construed as a limitation or restriction of any general liability or duty of Contractor, and any reference to any specific duty or liability shall be construed to be solely for the purpose of explanation.

19. INSURANCE

During the entire term of this Contract and until completion and final acceptance of the Work as provided in the Contract Documents, Contractor shall maintain in full force and effect the insurance coverage described in this section.

Full compensation for all premiums that Contractor is required to pay for the insurance coverage described herein shall be included in the compensation specified for performance of the Work under the Contract. No additional compensation will be provided for Contractor's insurance premiums.

It is understood and agreed by the Contractor that its liability to the City shall not in any way be limited to or affected by the amount of insurance coverage required of or carried by the Contractor.

(A) Minimum Scope and Limits of Insurance Coverage

(1) Commercial General Liability Insurance, providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or

more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.

(2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor.

(3) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Worker's Compensation policy shall include a waiver of subrogation.

(B) Additional Insured Coverage

(1) Commercial General Liability Insurance: The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of activities performed by or on behalf of Contractor, products and completed operations of Contractor, and premises owned, leased or used by Contractor. The general liability additional insured endorsement must be signed by an authorized representative of the insurance carrier.

If the policy includes a blanket additional insured endorsement or contractual additional insured coverage, the above signature requirement may be fulfilled by submitting that document with a signed declaration page referencing the blanket endorsement or policy form.

(2) Automobile Liability Insurance: The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

(C) Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

(1) Contractor's insurance coverage shall be primary insurance as respects City, its officials, employees and volunteers. Any insurance or self-insurance maintained by City, its officials, employees or volunteers shall be in excess of Contractor's insurance and shall not contribute with it.

(2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its officials, employees or volunteers.

(3) Coverage shall state that Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(4) City will be provided with thirty (30) days written notice of cancellation or

material change in the policy language or terms.

(D) Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:V. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 19 must be declared to and approved by the City Risk Management Division in writing prior to execution of this Agreement.

(E) Verification of Coverage

(1) Contractor shall furnish City with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the City representative designated by City. Copies of policies shall be delivered to the City on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.

(2) The City may withdraw its offer of contract or cancel the Contract if the certificates of insurance and endorsements required have not been provided prior to execution of this Agreement. The City may withhold payments to Contractor and/or cancel the Contract if the insurance is canceled or Contractor otherwise ceases to be insured as required herein.

(F) Subcontractors

Contractor shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A, above.

20. FAILURE TO MAINTAIN BONDS OR INSURANCE

If, at any time during the performance of this Contract, Contractor fails to maintain any item of the bonds and/or insurance required under the Contract in full force and effect, Contractor shall immediately suspend all work under the Contract and notify City in writing of such failure. After such notice is provided, or if City discovers such failure and notifies Contractor, the City thereafter may withhold all Contract payments due or that become due until notice is received by City that such bonds and/or insurance have been restored in full force and effect and that the premiums therefor have been paid for a period satisfactory to the Division of Risk Management. Contractor shall not resume work until notified by City to do so, and the City shall have no responsibility or liability for any costs incurred by Contractor as a result of such suspension of Work.

In addition to the foregoing, any failure to maintain any item of the required bonds and/or insurance at any time during the performance of this Contract will be sufficient cause for termination of the Contract by City.

The Contractor shall be solely responsible for, and shall defend, indemnify and hold harmless the City, its officers, employees and agents against and from, any and all damages, claims, losses, actions, costs or other expenses of any kind incurred by any party as a direct or indirect result of any suspension of Work or termination of the Contract under the provisions of this Section.

21. EXCUSABLE DELAYS

For the purpose of these Contract Documents, the term "Excusable Delay" shall mean, and is limited to, delay caused directly by: acts of God; acts of a public enemy; fires; inclement weather as determined by the Engineer; riots; insurrections; epidemics; quarantine restrictions; strikes; lockouts; sitdowns; acts of a governmental agency; priorities or privileges established for the manufacture, assemble, or allotment of materials necessary in the Work by order, decree or otherwise of the United States or by any department, bureau, commission, committee, agent, or administrator of any legally constituted public authority; changes in the Work ordered by City insofar as they necessarily require additional time in which to complete the Work; the prevention of Contractor from commencing or prosecuting the Work because of the acts of others, excepting Contractor's subcontractors or suppliers; or the prevention of Contractor from commencing or prosecuting the Work because of a Citywide failure of public utility service.

The term "Excusable Delay" shall specifically not include: (i) any delay that could have been avoided by the exercise of care, prudence, foresight and diligence on the part of Contractor; (ii) any delay in the prosecution of any part of the Work that does not constitute a Controlling Operation, whether or not such delay is unavoidable; (iii) any reasonable delay resulting from time required by City for review of any Contractor submittals and for the making of surveys, measurements and inspection; and, (iv) any delay arising from an interruption in the prosecution of the Work on account of reasonable interference by other Contractors employed by City that does not necessarily prevent the completion of the entire Work within the time specified. Excusable Delays, if any, shall operate only to extend the Completion Date (not in excess of the period of such delay as determined by City) and shall not under any circumstances increase the amount City is required to pay Contractor except as otherwise provided in these Contract Documents.

22. CONTRACTOR TO SERVE NOTICE OF DELAYS

Whenever Contractor foresees any delay in the prosecution of the Work, and in any event as soon as possible (not to exceed a period of ten (10) calendar days) after the initial occurrence of any delay that Contractor regards as or may later claim to be an Excusable Delay, the Contractor shall notify the Engineer in writing of such delay and its cause, in order that the Engineer: (i) may take immediate steps to prevent if possible the occurrence or continuance of the delay; or (ii) if this cannot be done, may determine whether the delay is to be considered excusable, how long it continues, and to what extent the prosecution and completion of the Work are delayed thereby. Said written notice shall constitute an application for an extension of time only if the notice requests such an extension and sets forth the Contractor's estimate of the additional time required together with a full description of the cause of the delay relied upon.

After the completion of any part or whole of the Work, the Engineer, in estimating the amount due Contractor, will assume that any and all delays that may have occurred in its prosecution and completion were not Excusable Delays, except for such delays for which the Contractor has provided timely written notice as required herein, and that the Engineer has found to be excusable. Contractor shall not be entitled to claim Excusable Delay for any delay for which the Contractor failed to provide such timely written notice.

23. EXTENSION OF TIME

If the Contractor complies with Section 22, above, and the Engineer finds a delay claimed by the Contractor to be an Excusable Delay, the Contractor shall be allowed an extension of time to

complete the Work that is proportional to the period of Excusable Delay determined by the Engineer, subject to the approval by City of a change order granting such time extension. During a duly authorized extension for an Excusable Delay, City shall not charge liquidated damages against the Contractor for such delay.

If the City extends the time to complete the Work as provided herein, such extension shall in no way release any warranty or guarantee given by Contractor pursuant to the provisions of the Contract Documents, nor shall such extension of time relieve or release the sureties of the Bonds provided pursuant to the Contract Documents. By executing such Bonds, the Sureties shall be deemed to have expressly agreed to any such extension of time. The granting of any extension of time as provided herein shall in no way operate as a waiver on the part of City of its rights under this Contract, excepting only extension of the Completion Date for such period of Excusable Delay as may be determined by the Engineer and approved by a duly authorized change order.

24. NO PAYMENT FOR DELAYS

No damages or compensation of any kind shall be paid to Contractor or any subcontractor because of delays in the progress of the Work whether or not such delays qualify for extension of time under this Agreement; except that this provision shall not preclude the recovery of damages for a delay caused by the City that is unreasonable under the circumstances and that is not within the contemplation of the parties, provided that the Contractor timely submits all such written notice(s) and fully complies with such other procedures as may be specified in the Contract Documents or any Laws or Regulations for Contractor to claim damages for such delay.

25. CHANGES IN THE WORK

Changes in the Work authorized or directed in accordance with the Contract Documents and extensions of time of completion made necessary by reason thereof shall not in any way release any warranty or guarantee given by Contractor pursuant to the provisions of the Contract Documents, nor shall such changes in the Work relieve or release the Sureties on Bonds provided pursuant to the Contract Documents. By executing such Bonds, the Sureties shall be deemed to have expressly agreed to any such change in Work and to any extension of time made by reason thereof.

26. TERMINATION AFTER COMPLETION DATE

In addition to any other rights City may have, if any services or work required under the Contract (including but not limited to punch list items) are not completed as of the Completion Date (as adjusted by any extensions of time for Excusable Delays granted pursuant to the Contract Documents), City may terminate the Contract at any time after the Completion Date (as adjusted by any extensions of time for Excusable Delays granted pursuant to the Contract Documents), by providing a written notice to Contractor specifying the date of termination. Such notice also may specify conditions or requirements that Contractor must meet to avoid termination of the Contract on such date. If Contractor fails to fulfill all such conditions and requirements by such termination date, or, if no such conditions or requirements are specified, Contractor shall cease rendering services and performing work on such termination date, and shall not be entitled to receive any compensation for services rendered or work performed after such termination date. In the event of such termination, Contractor shall remain liable to City for liquidated damages incurred for any period of time prior to the termination date.

In addition to any other charges, withholdings or deductions authorized under the Contract or any Laws or Regulations, if City terminates the Contract pursuant to this section, City may withhold and deduct from any payment and/or retention funds otherwise due Contractor any sum necessary to pay the City's cost of completing or correcting, or contracting for the completion or correction of, any services or work under the Contract that are not completed to the satisfaction of the City or that otherwise are deficient or require correction as of such termination date, including but not limited to incomplete punch list items. Such costs shall include all of the City's direct and indirect costs incurred to complete or correct such services or work, including the City's administrative and overhead costs. If the amount of payment(s) and/or retention funds otherwise due the Contractor are insufficient to pay such costs, City shall have the right to recover the balance of such costs from the Contractor and/or its Surety(ies).

27. TERMINATION FOR CONVENIENCE

Upon written notice to the Contractor, the City may at any time, without cause and without prejudice to any other right or remedy of the City, elect to terminate the Contract for the convenience of City. In such case, the Contractor shall be paid (without duplication of any items, and after deduction and/or withholding of any amounts authorized to be deducted or withheld by the Contract Documents or any Laws or Regulations):

- (A) For Work executed in accordance with the Contract Documents prior to the effective date of termination and determined to be acceptable by the Engineer, including fair and reasonable sums for overhead and profit on such Work;
- (B) For reasonable claims, costs, losses, and damages incurred in settlement of terminated contracts with subcontractors, suppliers, and others; and
- (C) For reasonable expenses directly attributable to termination.

Contractor shall not be paid for any loss of anticipated profits or revenue for any Work not performed prior to termination, nor for any economic loss arising out of or resulting from such termination, except for the payments listed in this section. Contractor's warranty under Section 14 of this Agreement shall apply, and Contractor shall remain responsible for all obligations related to such warranty, with respect to all portions of the Work performed prior to the effective date of the termination for convenience pursuant to this section. The City shall be entitled to have any or all remaining Work performed by other contractors or by any other means at any time after the effective date of a termination for convenience pursuant to this section.

28. TERMINATION FOR BREACH OF CONTRACT

If Contractor abandons the Work under this Contract, or if the Contract or any portion of the Contract is sublet or assigned without the consent of the City, or if the Engineer determines in the Engineer's sole discretion that the conditions of the Contract in respect to the rate of progress of the Work are not being fulfilled or any part thereof is unnecessarily delayed, or if Contractor violates or breaches, or fails to execute in good faith, any of the terms or conditions of the Contract, or if Contractor refuses or fails to supply enough properly skilled labor or materials or refuses or fails to make prompt payment to subcontractors for material or labor, or if Contractor disregards any Laws or Regulations or proper instruction or orders of the Engineer, then, notwithstanding any provision to the contrary herein, the City may give Contractor and its

Sureties written notification to immediately correct the situation or the Contract shall be terminated.

In the event that such notice is given, and, in the event such situation is not corrected, or arrangements for correction satisfactory to the City are not made, within ten (10) calendar days from the date of such notice or within such other period of time as may be specified by the City in the notice, the Contract shall upon the expiration of said period cease and terminate. In the event of any such termination, City may take over the Work and prosecute the Work to completion, or otherwise, and the Contractor and its Sureties shall be liable to City for any cost occasioned City thereby, as hereinafter set forth.

In the event City completes the Work, or causes the Work to be completed, no payment of any kind shall be made to Contractor until the Work is complete. The cost of completing the Work, including but not limited to, extra costs of project administration and management incurred by City, both direct or indirect, shall be deducted from any sum then due, or that becomes due, to Contractor from City. If sums due to Contractor from City are less than the cost of completing the Work, Contractor and its Sureties shall pay City a sum equal to this difference on demand. In the event City completes the Work, and there is a sum remaining due to Contractor after City deducts the costs of completing the Work, then City shall pay such sum to Contractor. The Contractor and Contractor's Sureties shall be jointly and severally liable for all obligations imposed on Contractor hereunder.

No act by City before the Work is finally accepted, including, but not limited to, exercise of other rights under the Contract, actions at law or in equity, extensions of time, payments, assessments of liquidated damages, occupation or acceptance of any part of the Work, waiver of any prior breach of the Contract or failure to take action pursuant to this section upon the happening of any prior default or breach of Contractor, shall be construed to be a waiver or estoppel of the City's right to act pursuant to this Section upon any subsequent event, occurrence or failure by Contractor to fulfill the terms and conditions of the Contract. The rights of City to terminate the Contract pursuant to this Section and pursuant to Sections 26 and 27 are cumulative and are in addition to all other rights of City pursuant to the Contract and at law or in equity.

29. CONTRACTOR BANKRUPT

If Contractor should commence any bankruptcy proceeding, or if Contractor is adjudged a bankrupt, or if Contractor makes any assignment for the benefit of creditors, or if a receiver is appointed on account of Contractor's insolvency, then the City may, without prejudice to any other right or remedy, terminate the Contract and complete the work by giving notice as provided in Section 28 above.

30. SURETIES' OBLIGATIONS UPON TERMINATION

If the City terminates the Contract pursuant to Section 28 or Section 29 above:

(A) The Surety under Contractor's performance bond shall be fully responsible for all of the Contractor's remaining obligations of performance under the Contract as if the Surety were a party to the Contract, including without limitation Contractor's obligations, as provided in the Contract Documents, to complete and provide a one-year warranty of the entire Work, pay liquidated damages and indemnify, defend and hold harmless City, up to the full amount of the performance bond.

(B) The Surety under Contractor's payment bond shall be fully responsible for the performance of all of the Contractor's remaining payment obligations for work, services, equipment or materials performed or provided in connection with the Work or any portion thereof, up to the full amount of the payment bond.

31. ACCOUNTING RECORDS OF CONTRACTOR

During performance of the Contract and for a period of three (3) years after completing the entire Work, Contractor shall maintain all accounting and financial records related to the Contract and performance of the Work in accordance with generally accepted accounting practices, and shall keep and make such records available for inspection and audit by representatives of the City upon reasonable written notice.

32. USE TAX REQUIREMENTS

During the performance of this Agreement, CONTRACTOR, for itself, its assignees and successors in interest, agrees as follows:

(A) Use Tax Direct Payment Permit: For all leases and purchases of materials, equipment, supplies, or other tangible personal property used to perform the Agreement and shipped from outside California, the Contractor and any subcontractors leasing or purchasing such materials, equipment, supplies or other tangible personal property shall obtain a Use Tax Direct Payment Permit from the California State Board of Equalization (“SBE”) in accordance with the applicable SBE criteria and requirements.

(B) Sellers Permit: For any construction contract and any construction subcontract in the amount of \$5,000,000 or more, Contractor and the subcontractor(s) shall obtain sellers permits from the SBE and shall register the jobsite as the place of business for the purpose of allocating local sales and use tax to the City. Contractor and its subcontractors shall remit the self-accrued use tax to the SBE, and shall provide a copy of each remittance to the City.

(C) The above provisions shall apply in all instances unless prohibited by the funding source for the Agreement.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement on the date set for opposite their names.

CONTRACTOR

Under penalty of perjury, I certify that the taxpayer identification number and all other information provided here are correct.

DATE AUGUST 9, 2012

BY Bart Lungren
BART LUNGREN
Print Name
VICE PRESIDENT
Title

BY Timothy P. Orchard
TIMOTHY P. ORCHARD
Print Name
TREASURER
Title
33-0787630
Federal ID#
43826841
State ID#

City of Sacramento Business Operation Tax Certificate No. (City will not award contract until Certificate Number is obtained)

Type of Business Entity (*check one*):

- Individual/Sole Proprietor
- Partnership
- Corporation
- Limited Liability Company
- Other (*please specify*: _____)

CITY OF SACRAMENTO
a municipal corporation

DATE _____

BY _____
For: _____
City Manager

Original Approved As To Form:

[Signature]
City Attorney

Attest:

City Clerk

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA

COUNTY OF ORANGE

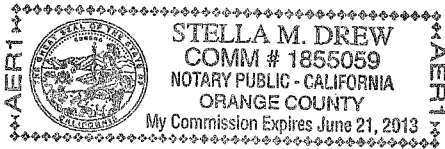


On August 10, 2012 before me, Stella M. Drew, personally appeared Bart Lungren and Timorthy P. Orchard

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



Notary Seal

Signature *Stella M. Drew*
Stella M. Drew, Notary Public

OPTIONAL

Description of Attached Document

Title or Type of Document: Agreement

Document Date: August 9, 2012 Number of Pages: 16

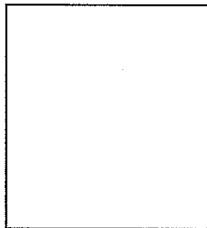
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s):

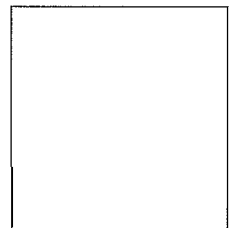
Signer's Name Bart Lungren

Signer's Name Timothy P. Orchard

- Individual
- Corporate Officer – Title(s) Vice President
- Partner – Limited/General _____
- Attorney In Fact _____ Right Thumbprint of Signer
- Trustee _____
- Guardian or Conservator _____
- Other _____



- Individual
- Corporate Officer – Title(s) Treasurer
- Partner – Limited/General _____
- Attorney In Fact _____ Right Thumbprint of Signer
- Trustee _____
- Guardian or Conservator _____
- Other _____



Signer is Representing: WESTERN PAVEMENT SOLUTIONS

CERTIFICATE OF INCUMBENCY AND RESOLUTION

I, Bart Lungren, do hereby certify that I am the Vice President of Western Pavement Solutions, a Nevada corporation, and that as such I have access to and custody of the corporate records and minute books of said corporation.

And I do hereby further certify that the following persons are duly elected officers of said corporation.

<u>TITLE</u>	<u>NAME</u>
President	David Martinez
Treasure	Timothy P. Orchard
Vice President	Bart Lungren
Secretary	Anthony L. Martino II

I further certify that the following is a true and correct copy of a resolution duly adopted by the Board of Directors of said Company at a meeting held on February 15, 2012, and that this resolution has not been in any way rescinded, annulled, or revoked but the same is still in full force and effect:

“AUTHORITY TO EXECUTIVE BIDS AND CONTRACTS”

Resolved, that any officer or assistant officer of this Company be and each of them is hereby authorized to execute in the name and on behalf of this Company under its corporate seal any and all proposals for the sale of products, merchandise and services of this Company and any bids and performance bonds required in connection therewith, to the United States, and of the State, territories and dependencies of the United States, the District of Columbia, cities, towns, townships, counties, school districts, and to the department, political subdivisions, agencies or wholly-owned corporations thereof, or to any other person.”

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal this 22nd day of February, 2012.

(SEAL)

Bart Lungren
Bart Lungren, Vice President
Western Pavement Solutions
135 S. State College Blvd., Ste. 400
Brea, CA 92821

**CITY OF SACRAMENTO
PERFORMANCE BOND**

Department of Public Works
Page 1 of 1

Bond No.: 014047456/09033695

Premium: \$4,593.00

WHEREAS, the City of Sacramento, State of California, hereinafter called City, has conditionally awarded to Western Pavement Solutions, 135 S. State College Blvd, Suite 400 Brea, CA 92821:

as principal, hereinafter called Contractor, a contract for construction of:

**2012 Street Seal Coat Project
(PN: R15122020)**

which contract is by reference incorporated herein and made a part hereof as if the Surety named below were a party to the contract, and is hereinafter referred to as the Contract; and

WHEREAS, under the terms of the Contract, Contractor is required to furnish a bond for the faithful performance of the Contract.

Liberty Mutual Insurance Company, 175 Berkeley St. Boston, MA 02116 AND

NOW, THEREFORE, we the Contractor and (*here insert full name and address of Surety*):

Fidelity and Deposit Company of Maryland 1400 American Lane, Tower 1, 18th Floor, Schaumburg, IL 60196

a corporation duly authorized and admitted to transact business and issue surety bonds in the State of California, hereinafter called Surety, are held and firmly bound unto the City, as obligee, in the sum of:

ONE MILLION FIVE HUNDRED NINETY TWO THOUSAND SIX HUNDRED FORTY SIX DOLLARS (\$1,592,646.42), for the payment of which sum well and truly to be made, we the Contractor and Surety bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally. The condition of this obligation is such that, if the Contractor, Contractor's heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and fully perform all covenants, conditions and agreements required to be kept and performed by Contractor in the Contract and any changes, additions or alterations made thereto, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meanings, and shall indemnify and save harmless the City, its officers, employees and agents, as therein provided, then the Surety's obligations under the Contract and this bond shall be null and void; otherwise they shall be and remain in full force and effect. This obligation shall remain in full force and effect through the end of the Contract warranty period, which will expire one year after the completion of work date specified in the Notice of Completion filed for the above-named project.

As part of the obligations secured hereby and in addition to the sum specified above, there shall be included all costs, expenses and fees, including attorney's fees, reasonably incurred by City in successfully enforcing such obligations, all to be taxed as costs and included in any judgment rendered.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed thereunder or to the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension, alteration or addition. BOND TO BE EFFECTIVE AS OF AUGUST 22, 2012.

IN WITNESS WHEREOF, this instrument has been duly executed by authorized representatives of the Contractor and Surety. SIGNED AND SEALED on August 13, 20 12.

Western Pavement Solutions
By [Signature] (Contractor) (Seal)
Title Timothy P. Orachard, Treasurer

Liberty Mutual Insurance Company AND
Fidelity and Deposit Company of Maryland
By [Signature] (Surety) (Seal)
Title Vicki L. Breunig, Attorney-in-Fact

ORIGINAL APPROVED AS TO FORM:
[Signature]
City Attorney

Issuing Agent: Willis of Arizona, Inc.
16220 N. Scottsdale Rd. #600
Scottsdale, AZ 85254
602-787-6000

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA

COUNTY OF ORANGE

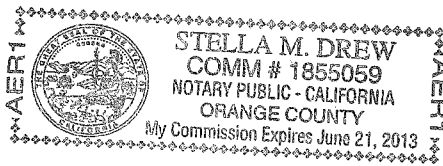


On August 14, 2012 before me, Stella M. Drew, personally appeared Timothy P. Orchard

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



Notary Seal

Signature

Stella M. Drew
Stella M. Drew, Notary Public

OPTIONAL

Description of Attached Document

Title or Type of Document: Performance Bond

Document Date: August 13, 2012 Number of Pages: 1

Signer(s) Other Than Named Above: _____

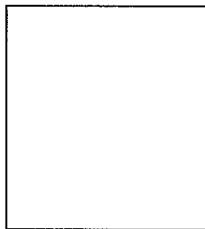
Capacity(ies) Claimed by Signer(s):

Signer's Name Timothy P. Orchard

Signer's Name _____

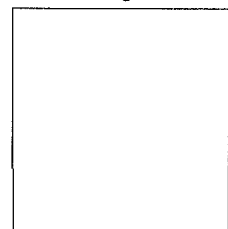
- Individual
- Corporate Officer – Title(s) Treasurer
- Partner – Limited/General _____
- Attorney In Fact _____
- Trustee _____
- Guardian or Conservator _____
- Other _____

Right Thumbprint
of Signer



- Individual
- Corporate Officer – Title(s) _____
- Partner – Limited/General _____
- Attorney In Fact _____
- Trustee _____
- Guardian or Conservator _____
- Other _____

Right Thumbprint
of Signer



Signer is Representing: WESTERN PAVEMENT SOLUTIONS

GENERAL ALL-PURPOSE ACKNOWLEDGMENT

State of Arizona

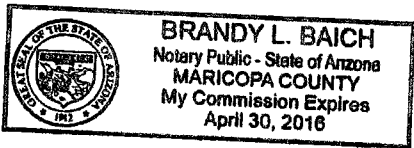
County of Maricopa

On August 13, 2012 before me, Brandy L. Baich, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Vicki L. Breunig
Name(s) of Signer(s)

- Personally known to me
- 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 capacities 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 said instrument.



WITNESS my hand and official seal.

Brandy L. Baich

Signature of Notary Public

OPTIONAL

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

CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL	Performance Bond #014047456/09033695 for Western Pavement Solutions
<input type="checkbox"/>	

- TITLE(S)
- PARTNER(S) LIMITED
 GENERAL
- ATTORNEY-IN-FACT
- TRUSTEE(S)
 GUARDIAN/CONSERVATOR
 OTHER

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

August 13, 2012
DATE OF DOCUMENT

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

N/A
SIGNER(S) OTHER THAN NAMED ABOVE

Liberty Mutual Insurance Company and Fidelity and Deposit Company of Maryland

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

4887468

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

LIBERTY MUTUAL INSURANCE COMPANY
BOSTON, MASSACHUSETTS
POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS: That Liberty Mutual Insurance Company (the "Company"), a Massachusetts stock insurance company, pursuant to and by authority of the By-law and Authorization hereinafter set forth, does hereby name, constitute and appoint DAVID G. JENSEN, MARYANN CARAFELLO, BRANDY L. BAICH, TERRY CRULL, VICKI L. BREUNIG, ALL OF THE CITY OF PHOENIX, STATE OF ARIZONA

, each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations in the penal sum not exceeding SEVENTY FIVE MILLION AND 00/100 DOLLARS (\$ 75,000,000.00) each, and the execution of such undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents, shall be as binding upon the Company as if they had been duly signed by the president and attested by the secretary of the Company in their own proper persons.

That this power is made and executed pursuant to and by authority of the following By-law and Authorization:

ARTICLE XIII - Execution of Contracts: Section 5. Surety Bonds and Undertakings.

Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

By the following instrument the chairman or the president has authorized the officer or other official named therein to appoint attorneys-in-fact:

Pursuant to Article XIII, Section 5 of the By-Laws, David M. Carey, Assistant Secretary of Liberty Mutual Insurance Company, is hereby authorized to appoint such attorneys-in-fact as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

That the By-law and the Authorization set forth above are true copies thereof and are now in full force and effect.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of Liberty Mutual Insurance Company has been affixed thereto in Plymouth Meeting, Pennsylvania this day of 28th day of September 2011.



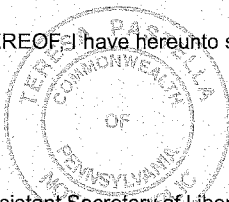
LIBERTY MUTUAL INSURANCE COMPANY

By David M. Carey
David M. Carey, Assistant Secretary

COMMONWEALTH OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 28th day of September, 2011, before me, a Notary Public, personally came David M. Carey, to me known, and acknowledged that he is an Assistant Secretary of Liberty Mutual Insurance Company; that he knows the seal of said corporation; and that he executed the above Power of Attorney and affixed the corporate seal of Liberty Mutual Insurance Company thereto with the authority and at the direction of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



Notarial Seal
Teresa Pastella, Notary Public
Plymouth Twp., Montgomery County
My Commission Expires Mar. 28, 2013
Member, Pennsylvania Association of Notaries

By Teresa Pastella
Teresa Pastella, Notary Public

CERTIFICATE

I, the undersigned, Assistant Secretary of Liberty Mutual Insurance Company, do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the officer or official who executed the said power of attorney is an Assistant Secretary specially authorized by the chairman or the president to appoint attorneys-in-fact as provided in Article XIII, Section 5 of the By-laws of Liberty Mutual Insurance Company.

This certificate and the above power of attorney may be signed by facsimile or mechanically reproduced signatures under and by authority of the following vote of the board of directors of Liberty Mutual Insurance Company at a meeting duly called and held on the 12th day of March, 1980.

VOTED that the facsimile or mechanically reproduced signature of any assistant secretary of the company, wherever appearing upon a certified copy of any power of attorney issued by the company in connection with surety bonds, shall be valid and binding upon the company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said company, this 13th day of August, 2012.



By Gregory W. Davenport
Gregory W. Davenport, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, bank deposit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

**Power of Attorney
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, a corporation of the State of Maryland, by FRANK E. MARTIN JR., Vice President, and ERIC D. BARNES, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Company, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, does hereby nominate, constitute and appoint **Maryann CARAFELLO, Terry CRULL, David G. JENSEN, Brandy Lee BAICH and Vicki L. BREUNIG, all of Scottsdale, Arizona, EACH** its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed, **any and all bonds and undertakings**, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Company, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its office in Baltimore, Md, in their own proper persons. This power of attorney revokes that issued on behalf of Maryann CARAFELLO, Terry CRULL, David G. JENSEN, Brandy Lee BAICH, Vicki L. BREUNIG, dated September 29, 2011.

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

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seal of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 18th day of January, A.D. 2012.

ATTEST:

FIDELITY AND DEPOSIT COMPANY OF MARYLAND



Eric D. Barnes

Eric D. Barnes Assistant Secretary

Frank E. Martin Jr.

By:

Frank E. Martin Jr. Vice President

State of Maryland }
City of Baltimore } ss:

On this 18th day of January, A.D. 2012, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, came FRANK E. MARTIN JR., Vice President, and ERIC D. BARNES, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself depose and saith, that they are the said officers of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and that the said Corporate Seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporation.

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



Constance A. Dunn

Constance A. Dunn

Notary Public

My Commission Expires: July 14, 2015

**CITY OF SACRAMENTO
PAYMENT BOND**

Department of Public Works
Page 1 of 1

Bond No.: 014047456/09033695
Premium: Premium included in the
Performance Bond

WHEREAS, the City of Sacramento, in the State of California, hereinafter called City, has conditionally awarded to: Western Pavement Solutions, 135 S. State College Blvd, Suite 400 Brea, CA 92821

hereinafter called Contractor, a contract for construction of:

**2012 Street Seal Coat Project
(PN: R15122020)**

which contract is by reference incorporated herein and made a part hereof, and is hereinafter referred to as the Contract; and

WHEREAS, under the terms of the Contract and pursuant to Chapter 5 of Title 3 of Part 6 of Division 4 of the California Civil Code (commencing with Civil Code Section 9550), Contractor is required to furnish a good and sufficient payment bond to secure payment of the claims to which reference is made in Civil Code Section 9554.

Liberty Mutual Insurance Company, 175 Berkeley St. Boston, MA 02116 AND

NOW, THEREFORE, we the Contractor and (*here insert full name and address of Surety*):

Fidelity and Deposit Company of Maryland 1400 American Lane Tower 1, 18th Floor Schaumburg, IL 60196

a corporation duly authorized and admitted to transact business and issue surety bonds in the State of California, hereinafter called Surety, are held and firmly bound unto the City, and unto all persons or entities entitled to assert a claim against a payment bond under any of the aforesaid Civil Code provisions in the sum of ONE MILLION FIVE HUNDRED NINETY TWO THOUSAND SIX HUNDRED FORTY SIX DOLLARS (\$1,592,646.42), on the condition that if Contractor shall fail to pay for any materials or equipment furnished or used in performance of the Contract, or for any work or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, or for any amounts required to be deducted, withheld, and paid over to the Franchise Tax Board or the Employment Development Department from the wages of employees of the Contractor and all subcontractors with respect to such work or labor, then the Surety shall pay the same in an amount not exceeding the sum specified above. If suit is brought upon this bond, Surety shall pay, in addition to the above sum, all costs, expenses and fees, including attorney's fees, reasonably incurred by any party in successfully enforcing the obligation secured hereby, all to be taxed as costs and included in any judgment rendered. Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect, and shall bind Contractor, Surety, their heirs, executors, administrators, successors and assigns, jointly and severally.

It is hereby stipulated and agreed that this bond shall inure to the benefit of all persons, companies, corporations, political subdivisions, State agencies and other entities entitled to assert a claim against a payment bond under any of the aforesaid Civil Code provisions, so as to give a right of action to them or their assigns in any suit brought upon this bond. The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed thereunder or to the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension, alteration or addition. BOND TO BE EFFECTIVE AS OF AUGUST 22, 2012.

IN WITNESS WHEREOF, this instrument has been duly executed by authorized representatives of the Contractor and Surety. SIGNED AND SEALED on August 13, 2012

Western Pavement Solutions

(Contractor) (Seal)
By [Signature]
Title Timothy P. Orchard, Treasurer

Liberty Mutual Insurance Company AND
Fidelity and Deposit Company of Maryland

(Surety) (Seal)
By [Signature]
Title Vicki L. Breunig, Attorney-in-Fact

ORIGINAL APPROVED AS TO FORM:

[Signature]
City Attorney

Issuing Agent: Willis of Arizona, Inc.
16220 N. Scottsdale Rd. #600
Scottsdale, AZ 85254
602-787-6000

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA

COUNTY OF ORANGE



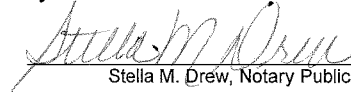
On August 14, 2012 before me, Stella M. Drew, personally appeared Timothy P. Orchard

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


Stella M. Drew, Notary Public

Notary Seal

OPTIONAL

Description of Attached Document

Title or Type of Document: Payment Bond

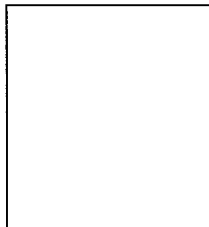
Document Date: August 13, 2012 Number of Pages: 1

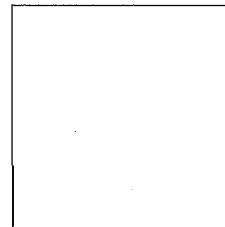
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s):

Signer's Name Timothy P. Orchard Signer's Name _____

- | | |
|---|---|
| <input type="checkbox"/> Individual | <input type="checkbox"/> Individual |
| <input checked="" type="checkbox"/> Corporate Officer – Title(s) <u>Treasurer</u> | <input type="checkbox"/> Corporate Officer – Title(s) _____ |
| <input type="checkbox"/> Partner – Limited/General _____ | <input type="checkbox"/> Partner – Limited/General _____ |
| <input type="checkbox"/> Attorney In Fact | <input type="checkbox"/> Attorney In Fact |
| <input type="checkbox"/> Trustee | <input type="checkbox"/> Trustee |
| <input type="checkbox"/> Guardian or Conservator | <input type="checkbox"/> Guardian or Conservator |
| <input type="checkbox"/> Other | <input type="checkbox"/> Other |

Right Thumbprint
of Signer


Right Thumbprint
of Signer


Signer is Representing: WESTERN PAVEMENT SOLUTIONS

GENERAL ALL-PURPOSE ACKNOWLEDGMENT

State of Arizona

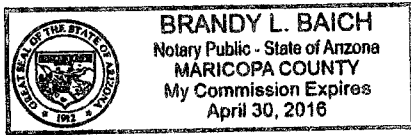
County of Maricopa

On August 13, 2012 before me, Brandy L. Baich, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Vicki L. Breunig
Name(s) of Signer(s)

- Personally known to me
- 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 capacities 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 said instrument.



WITNESS my hand and official seal.

Brandy Baich

Signature of Notary Public

OPTIONAL

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

CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL	Payment Bond #014047456/09033695 for Western Pavement Solutions
<input type="checkbox"/>	

TITLE(S)

TITLE OR TYPE OF DOCUMENT

- PARTNER(S) LIMITED
- GENERAL

NUMBER OF PAGES

ATTORNEY-IN-FACT

- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER _____

August 13, 2012
DATE OF DOCUMENT

SIGNER IS REPRESENTING:
 NAME OF PERSON(S) OR ENTITY(IES)

N/A
SIGNER(S) OTHER THAN NAMED ABOVE

Liberty Mutual Insurance Company and Fidelity and Deposit Company of Maryland

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

4887467

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

LIBERTY MUTUAL INSURANCE COMPANY
BOSTON, MASSACHUSETTS
POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS: That Liberty Mutual Insurance Company (the "Company"), a Massachusetts stock insurance company, pursuant to and by authority of the By-law and Authorization hereinafter set forth, does hereby name, constitute and appoint DAVID G. JENSEN, MARYANN CARAFELLO, BRANDY L. BAICH, TERRY CRULL, VICKI L. BREUNIG, ALL OF THE CITY OF PHOENIX, STATE OF ARIZONA

each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations in the penal sum not exceeding SEVENTY FIVE MILLION AND 00/100 DOLLARS (\$ 75,000,000.00) each, and the execution of such undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents, shall be as binding upon the Company as if they had been duly signed by the president and attested by the secretary of the Company in their own proper persons.

That this power is made and executed pursuant to and by authority of the following By-law and Authorization:

ARTICLE XIII - Execution of Contracts: Section 5. Surety Bonds and Undertakings.

Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

By the following instrument the chairman or the president has authorized the officer or other official named therein to appoint attorneys-in-fact:

Pursuant to Article XIII, Section 5 of the By-Laws, David M. Carey, Assistant Secretary of Liberty Mutual Insurance Company, is hereby authorized to appoint such attorneys-in-fact as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

That the By-law and the Authorization set forth above are true copies thereof and are now in full force and effect.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of Liberty Mutual Insurance Company has been affixed thereto in Plymouth Meeting, Pennsylvania this day of 28th day of September, 2011



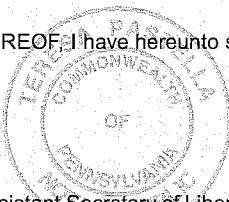
LIBERTY MUTUAL INSURANCE COMPANY

By David M. Carey
David M. Carey, Assistant Secretary

COMMONWEALTH OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 28th day of September, 2011, before me, a Notary Public, personally came David M. Carey, to me known, and acknowledged that he is an Assistant Secretary of Liberty Mutual Insurance Company; that he knows the seal of said corporation; and that he executed the above Power of Attorney and affixed the corporate seal of Liberty Mutual Insurance Company thereto with the authority and at the direction of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



Notarial Seal
Teresa Pastella, Notary Public
Plymouth Twp., Montgomery County
My Commission Expires Mar. 28, 2013
Member, Pennsylvania Association of Notaries

By Teresa Pastella
Teresa Pastella, Notary Public

CERTIFICATE

I, the undersigned, Assistant Secretary of Liberty Mutual Insurance Company, do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the officer or official who executed the said power of attorney is an Assistant Secretary specially authorized by the chairman or the president to appoint attorneys-in-fact as provided in Article XIII, Section 5 of the By-laws of Liberty Mutual Insurance Company.

This certificate and the above power of attorney may be signed by facsimile or mechanically reproduced signatures under and by authority of the following vote of the board of directors of Liberty Mutual Insurance Company at a meeting duly called and held on the 12th day of March, 1980.

VOTED that the facsimile or mechanically reproduced signature of any assistant secretary of the company, wherever appearing upon a certified copy of any power of attorney issued by the company in connection with surety bonds, shall be valid and binding upon the company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said company, this 13th day of August, 2012.



By Gregory W. Davenport
Gregory W. Davenport, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, bank deposit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

**Power of Attorney
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, a corporation of the State of Maryland, by FRANK E. MARTIN JR., Vice President, and ERIC D. BARNES, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Company, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, does hereby nominate, constitute and appoint **Maryann CARAFELLO, Terry CRULL, David G. JENSEN, Brandy Lee BAICH and Vicki L. BREUNIG, all of Scottsdale, Arizona, EACH** its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed, ~~any and all bonds and undertakings~~, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Company, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its office in Baltimore, Md. in their own proper persons. This power of attorney revokes that issued on behalf of Maryann CARAFELLO, Terry CRULL, David G. JENSEN, Brandy Lee BAICH, Vicki L. BREUNIG, dated September 29, 2011.

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

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seal of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 18th day of January, A.D. 2012.

ATTEST:

FIDELITY AND DEPOSIT COMPANY OF MARYLAND



Eric D. Barnes

Frank E. Martin Jr.

By:

Eric D. Barnes *Assistant Secretary* *Frank E. Martin Jr.* *Vice President*

State of Maryland }
City of Baltimore } ss:

On this 18th day of January, A.D. 2012, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, came FRANK E. MARTIN JR., Vice President, and ERIC D. BARNES, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself deposeth and saith, that they are the said officers of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and that the said Corporate Seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporation.

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



Constance A. Dunn

Constance A. Dunn *Notary Public*
My Commission Expires: July 14, 2015

Certificate of Insurance

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON YOU THE CERTIFICATE HOLDER. THIS CERTIFICATE IS NOT AN INSURANCE POLICY AND DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES LISTED BELOW. POLICY LIMITS ARE NO LESS THAN THOSE LISTED, ALTHOUGH POLICIES MAY INCLUDE ADDITIONAL SUBLIMIT/LIMITS NOT LISTED BELOW

This is to Certify that

WESTERN PAVEMENT SOLUTIONS

5050 E. Russell Road

Las Vegas

NV 89122

NAME AND ADDRESS OF INSURED



Liberty Mutual

is, at the issue date of this certificate, insured by the Company under the policy(ies) listed below. The insurance afforded by the listed policy(ies) is subject to all their terms, exclusions and Conditions and is not altered by any requirement, term or condition of any contract or other document with respect to which this certificate may be issued.

TYPE OF POLICY	EXP DATE <input type="checkbox"/> CONTINUOUS <input type="checkbox"/> EXTENDED <input checked="" type="checkbox"/> POLICY TERM	POLICY NUMBER	LIMIT OF LIABILITY													
			COVERAGE AFFORDED UNDER WC LAW OF THE FOLLOWING STATES: CA, NV, OR, ID, UT, AZ, MT	EMPLOYERS LIABILITY												
WORKERS COMPENSATION	4/1/2013	WC7-631-004125-652		<table border="1"> <tr> <td>Bodily Injury by Accident</td> <td>\$2,000,000</td> <td>Each Accident</td> </tr> <tr> <td>Bodily Injury by Disease</td> <td>\$2,000,000</td> <td>Policy Limit</td> </tr> <tr> <td>Bodily Injury by Disease</td> <td>\$2,000,000</td> <td>Each Person</td> </tr> </table>	Bodily Injury by Accident	\$2,000,000	Each Accident	Bodily Injury by Disease	\$2,000,000	Policy Limit	Bodily Injury by Disease	\$2,000,000	Each Person			
Bodily Injury by Accident	\$2,000,000	Each Accident														
Bodily Injury by Disease	\$2,000,000	Policy Limit														
Bodily Injury by Disease	\$2,000,000	Each Person														
COMMERCIAL GENERAL LIABILITY <input checked="" type="checkbox"/> OCCURRENCE <input type="checkbox"/> CLAIMS MADE	4/1/2013 <table border="1"> <tr> <td>RETRO DATE</td> <td></td> </tr> </table>	RETRO DATE		TB2-631-004125-662	<table border="1"> <tr> <td>General Aggregate</td> <td>\$2,000,000</td> </tr> <tr> <td>Products / Complete Operations Aggregate</td> <td>\$2,000,000</td> </tr> <tr> <td>Each Occurrence</td> <td>\$1,000,000</td> </tr> <tr> <td>Personal & Advertising Injury</td> <td>\$1,000,000 Per Person / Organization</td> </tr> <tr> <td>Other Includes Per Job Aggregate "XCU" Coverages</td> <td>Other Damages to Premises: \$100,000 and Medical Payments: \$10,000</td> </tr> </table>	General Aggregate	\$2,000,000	Products / Complete Operations Aggregate	\$2,000,000	Each Occurrence	\$1,000,000	Personal & Advertising Injury	\$1,000,000 Per Person / Organization	Other Includes Per Job Aggregate "XCU" Coverages	Other Damages to Premises: \$100,000 and Medical Payments: \$10,000	
RETRO DATE																
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Products / Complete Operations Aggregate	\$2,000,000															
Each Occurrence	\$1,000,000															
Personal & Advertising Injury	\$1,000,000 Per Person / Organization															
Other Includes Per Job Aggregate "XCU" Coverages	Other Damages to Premises: \$100,000 and Medical Payments: \$10,000															
AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> OWNED <input checked="" type="checkbox"/> NON-OWNED <input checked="" type="checkbox"/> HIRED	4/1/2013	AS2-631-004125-672		<table border="1"> <tr> <td>\$2,000,000</td> <td>Each Accident -- Single Limit B.I. And P.D. Combined</td> </tr> <tr> <td></td> <td>Each Person</td> </tr> <tr> <td></td> <td>Each Accident or Occurrence</td> </tr> <tr> <td></td> <td>Each Accident or Occurrence</td> </tr> </table>	\$2,000,000	Each Accident -- Single Limit B.I. And P.D. Combined		Each Person		Each Accident or Occurrence		Each Accident or Occurrence				
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	Each Person															
	Each Accident or Occurrence															
	Each Accident or Occurrence															
OTHER RE: 2012 Street Seal Coat Project (PN: R15122020) Job # 10137847 1180																
ADDITIONAL COMMENTS Added as additional insureds per endorsement attached. Certificate holder, the City of Sacramento, its officials, employees and volunteers is/are additional insured with regards to general liability and auto liability as their interests may appear where required by written contract per the blanket additional insured. The insurance afforded by the GL policy for the benefit of the additional insured shall be primary and non-contributory. The General Liability Policy includes Severability of Interest and Cross Liability Clauses. Waiver of subrogation in favor of the certificate holder on WC where allowed by statute and applies only to the specific jobs of the insured performed under written contract.																

* If the certificate expiration date is continuous or extended term, you will be notified if coverage is terminated or reduced before the certificate expiration date.

NOTICE OF CANCELLATION: (NOT APPLICABLE UNLESS A NUMBER OF DAYS IS ENTERED BELOW.) BEFORE THE STATED EXPIRATION DATE THE COMPANY WILL NOT CANCEL OR REDUCE THE INSURANCE AFFORDED UNDER THE ABOVE POLICIES UNTIL AT LEAST 30 DAYS NOTICE OF SUCH CANCELLATION HAS BEEN MAILED TO:

Attn: Department of Transportation - Jose R. Ledesm
 City of Sacramento
 Engineering Services Division
 915 "I" Street, Room 2000
 Sacramento CA 95814

Certificate Holder

Geraldine Fernandez

Liberty Mutual Insurance Group

Geraldine Fernandez

AUTHORIZED REPRESENTATIVE

NEW YORK / 0202
 114 West 47th St.

New York NY 10036 212-391-7500 8/9/2012

OFFICE PHONE DATE ISSUED

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

The insurance provide by this ammendment:

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

The following provisions also apply:

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

This endorsement is executed by the **LIBERTY MUTUAL FIRE INSURANCE COMPANY**

Premium \$

Effective Date 4/1/2012 Expiration Date 4/1/2013

For attachment to Policy No. TB2-631-004125-662

Audit Basis

Issued To

WESTERN PAVEMENT SOLUTIONS


SECRETARY


PRESIDENT

Countersigned by 

Authorized Representative

Issued 8/9/2012

Sales Office and No.
NEW YORK / 0202

End. Serial No.

WAIVER OF OUR RIGHT TO RECOVER OF OTHERS ENDORSEMENT - CALIFORNIA

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the schedule.

The additional premium for this endorsement shall be _____ % of the California workers Compensation premium otherwise due on such remuneration

SCHEDULE

Name of Person or Organization

Job Description

Where required by contract or written agreement

2012 Street Seal Coat Project (PN: R15122020)

This endorsement is executed by the Liberty Insurance Corporation

21814

Premium \$

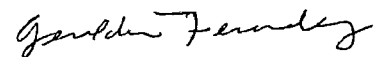
Effective Date 4/1/2012

Expiration Date 4/1/2013

For attachment to Policy No.

WC7-631-004125-652

Countersigned by



Authorized Representative

End. Serial No.

Job # 10137847

1180

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

WORKER'S COMPENSATION CERTIFICATION
2012 Street Seal Coat Project
(PN: R15122020)

In accordance with Article 5 (commencing at Section 1860), Chapter 1, Part 7, Division 2 of the Labor Code, the below certificate must be signed and filed with the awarding body prior to performing any work under this contract. Labor Code Section 3700, inter alia, states the following:

"Every employer shall secure the payment of compensation in one or more of the following ways:

- "(a) By being insured against liability to pay compensation in one or more insurers duly authorized to write compensation insurance in this State.
- "(b) By securing from the Director of Industrial Relations a certificate of consent to self-insure, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his employees.

To be signed by authorized corporate officer or partner or individual submitting the Proposal. If Bidder is: (example)

1. An individual using a firm name, sign: "John Doe, an individual doing business as Blank Company."
2. An individual doing business under his own name, Sign: your name only.
3. A co-partnership, sign: "John Doe and Richard Doe, co-partners doing business as Blank Company, by, John Doe, co-partner.
4. A corporation, sign: "Blank Company, by John Doe, Secretary." (or other title)

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

DATE: AUGUST 9, 2012

Contractor WESTERN PAVEMENT SOLUTIONS

By Bart Lungren
Signature
BART LUNGREN, VICE PRESIDENT

GUARANTEE

We hereby guarantee the **2012 Street Seal Coat Project** the City of Sacramento for one (1) year in accordance with the guarantee required in the specifications. We agree to repair or replace any or all such work, together with all or any other work which may be displaced in so doing, that may be proven defective in workmanship or material within the one-year period from the date of acceptance without any expense whatsoever to the City, ordinary wear and tear and unusual abuse or neglect excepted.

In the event of our failure to comply with the above-mentioned conditions within five (5) days time after being notified in writing, we collectively or separately, do hereby authorize the City to proceed to have the defects repaired and made good at our expense and will pay the costs and damages, including but not limited to any related attorney fees and City staff and administrative expenses, therefor immediately upon demand.

Dated: **AUGUST 9, 2012**

Signed:

 Bart Lungren

BART LUNGREN, VICE PRESIDENT

Printed Name

WESTERN PAVEMENT SOLUTIONS

Company

135 S. STATE COLLEGE BLVD., SUITE 400

Address

BREA, CA 92821

Request for Taxpayer Identification Number and Certification

Give form to the
requester. Do not
send to the IRS.

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return) WESTERN PAVEMENT SOLUTIONS	
	Business name, if different from above 135 S. STATE COLLEGE BLVD., SUITE 400, BREA CA 92821	
	Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ ... C ... <input type="checkbox"/> Exempt payee <input type="checkbox"/> Other (see instructions) ▶	
	Address (number, street, and apt. or suite no.) 135 S. STATE COLLEGE BLVD., SUITE 400	Requester's name and address (optional)
	City, state, and ZIP code BREA, CA 92821	List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number
or
Employer identification number
45 2720933

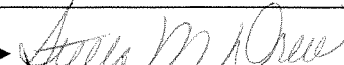
Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶ 	Date ▶ AUGUST 09, 2012
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

YEAR

Withholding Exemption Certificate

CALIFORNIA FORM

2011

(This form can only be used to certify exemption from nonresident withholding under California Revenue and Taxation Code (R&TC) Section 18662. Do not use this form for exemption from wage withholding.)

590

File this form with your withholding agent. (Please type or print)

Withholding agent's name

WESTERN PAVEMENT SOLUTIONS

Payee's name

WESTERN PAVEMENT SOLUTIONS

Payee's

SSN or ITIN

SOS file no.

CA corp. no.

FEIN

Address (number and street, PO Box, or PMB no.)

135 S. STATE COLLEGE BLVD.

Apt. no./ Ste. no.

400

City

BREA

State

CA

ZIP Code

92821

Read the following carefully and check the box that applies to the payee.

I certify that for the reasons checked below, the payee named on this form is exempt from the California income tax withholding requirement on payment(s) made to the entity or individual.

Individuals — Certification of Residency:

I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Who is a Resident, for the definition of a resident.

Corporations:

The above-named corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return and withhold on payments of California source income to nonresidents when required. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information F, What is a Permanent Place of Business, for the definition of permanent place of business.

Partnerships or limited liability companies (LLC):

The above-named partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return and will withhold on foreign and domestic nonresident partners or members when required. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a limited liability partnership (LLP) is treated like any other partnership.

Tax-Exempt Entities:

The above-named entity is exempt from tax under California Revenue and Taxation Code (R&TC) Section 23701 _____ (insert letter) or Internal Revenue Code Section 501(c) _____ (insert number). The tax-exempt entity will withhold on payments of California source income to nonresidents when required. If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.

Insurance Companies, Individual Retirement Arrangements (IRAs), or Qualified Pension/Profit Sharing Plans:

The above-named entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

California Trusts:

At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required. If the trustee becomes a nonresident at any time, I will promptly notify the withholding agent.

Estates — Certification of Residency of Deceased Person:

I am the executor of the above-named person's estate. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required.

Nonmilitary Spouse of a Military Servicemember:

I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

CERTIFICATE: Please complete and sign below.

Under penalties of perjury, I hereby certify that the information provided in this document is, to the best of my knowledge, true and correct. If conditions change, I will promptly notify the withholding agent.

Payee's name and title (type or print) TIMOTHY P. ORCHARD, TREASURER Daytime telephone no. 714-578-9600

Payee's signature ►  Date AUGUST 14, 2012