

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

480A



FROM: TLMA - Transportation Department

SUBMITTAL DATE:
July 6, 2009

SUBJECT: Slurry Seal and Cape Seal Projects at various locations, FY 2009/2010.

RECOMMENDED MOTION: That the Board accept the low bid of Valley Slurry Seal Company, of West Sacramento, CA in the amount of \$4,688,324. Award the contract to that firm and authorize the Chairman of the Board to execute the contract documents. Amend the TIP by approval of the project's proposed budget shown on Attachment "A".

BACKGROUND: By Minute Order dated April 7, 2009 (agenda item 3.42) the Board authorized the Clerk of the Board to advertise for Slurry Seal and Cape Seal Projects at various locations, FY 2008/2009. This work is an essential component of our Preventive Maintenance Program to seal roads and keep them from deteriorating and causing even more expensive repairs in the future. This work was originally scheduled to be done earlier in the year and was postponed due to uncertainty in the receipt of FY 08/09 Proposition 42 funds which were delayed. Bids for

Juan C. Perez
Director of Transportation

JCP:jjr:sb
(Continued On Attached Page)

FORM APPROVED COUNTY COUNSEL

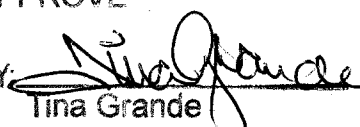
BY:  DATE: _____
NEAL R. KIPNIS

Departmental Concurrence

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 4,688,324	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2009/2010

SOURCE OF FUNDS: Proposition 42 [Sales Tax on Gasoline] (76.0%), City of Wildomar (9.7%), and City of Menifee (14.3%)	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE
BY: 
Tina Grande

County Executive Office Signature

Policy
 Consent
 Policy
 Consent
 Dept't Recomm.:
 Per Exec. Ofc.:

Prev. Agn. Ref. 4/7/09, Item 3.42 | **District:** All | **Agenda Number:**

5/13/08, Item 3.46
9/2/08, Item 3.142 ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.96

The Honorable Board of Supervisors

RE: Slurry Seal and Cape Seal Projects at various locations, FY 2009/2010.

July 6, 2009

Page 2 of 2

the project were opened in the office of the Director of Transportation at 2:00 PM, Wednesday, April 29, 2009. Six responsive bids were received. The lowest and best bid was submitted by Valley Slurry Seal Company in the amount of \$4,688,324. The bid is \$534,777 (10%) less than the engineer's estimate. The work is being funded out of the FY 2008/09 allocation of Proposition 42 funds that the County has received.

Subsequent to bid opening, the Transportation Department evaluated a request by Valley Slurry Seal Company to substitute the "rubberized" slurry seal material mix with a "black rock" slurry material mix. The Transportation Department has made the decision not to substitute materials and proceed with the placement of the "rubberized" slurry seal material mix, which contains recycled rubber.

The streets to be slurry sealed and cape sealed, within the City of Wildomar and the City of Menifee, are included in the bid package as alternate bid schedules. Both Cities accepted the alternate bids. Work within the Cities will be funded by separate agreements with the Cities that are on this same Board Agenda, through phased reimbursement payments over a five year period beginning with fiscal year 2009/2010.

The bid documents include the following schedules of work:

- Base Bid: Scope of work within County limits. These items will be funded by Proposition 42 [Sales Tax on Gasoline].
- Alternate 1: Scope of work within the City of Wildomar. Road cleaning, crack repair, seal treatment and new thermoplastic crosswalks and pavement markings, under the terms of a cooperative agreement.
- Alternate 2: Scope of work within the City of Menifee. Road cleaning, crack repair, seal treatment and new thermoplastic crosswalks and pavement markings, under the terms of a cooperative agreement.

The contractor has executed the contract and has provided bonds and insurance certificate documents which meet the requirements of the contract.

The contractor is qualified.

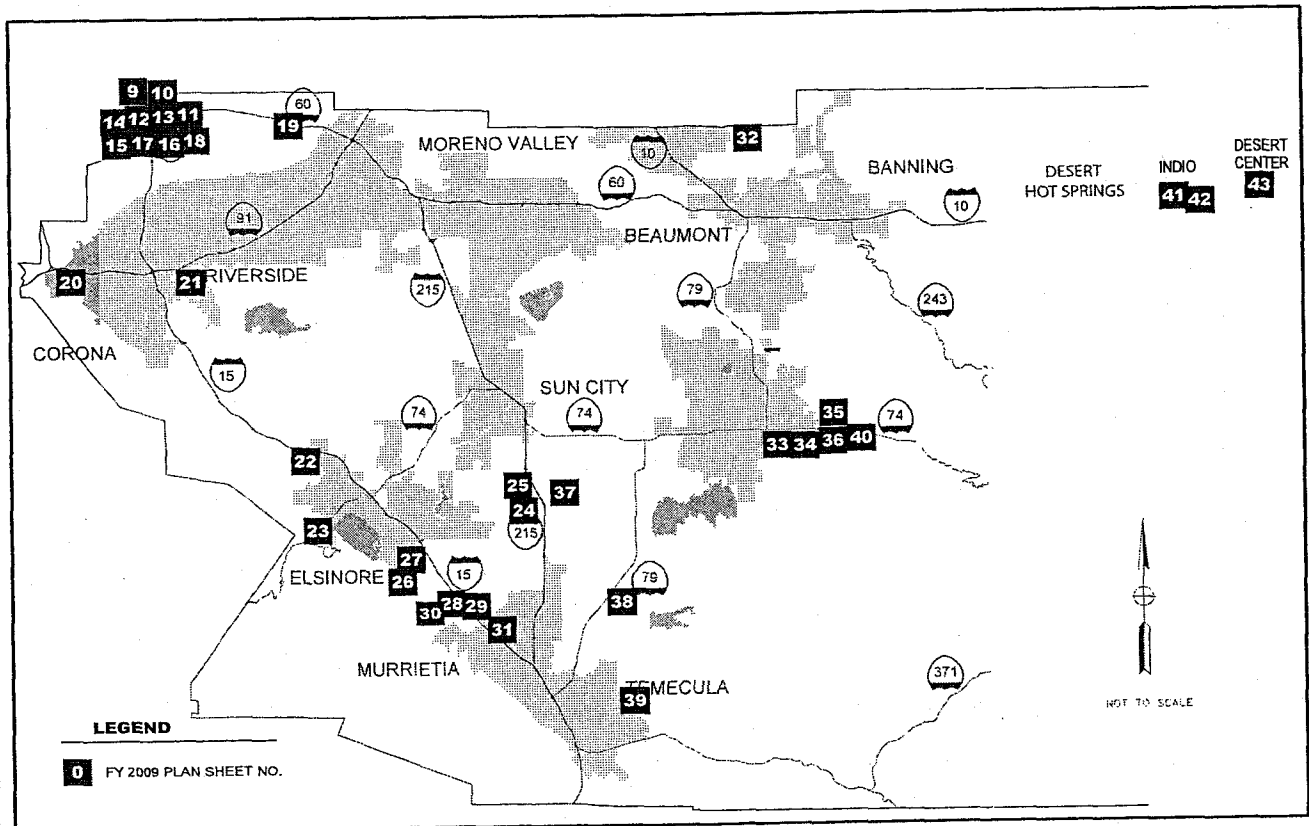
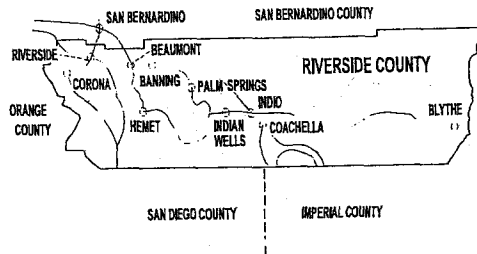
Project Number: X0901

COUNTY OF RIVERSIDE

SLURRY SEAL AND CAPE SEAL PROJECTS

AT VARIOUS LOCATIONS

FOR FISCAL YEAR 2009



VICINITY MAP

Attachment "A"

Riverside County Transportation Department

Project: **Slurry Seal and Cape Seal for FY 2009**

Project No.(s): **X0901**

Project Costs and Budget

Expenses as of : 5/5/2009

Activity	Incurred Costs	Projected Costs	Total Costs	Existing Budget	Proposed Budget
Preliminary Survey					
Environmental				2,000	
Design	55,685	4,315	60,000	24,000	60,000
Right-of-way					
Utilities					
Construction		4,688,324	4,688,324	5,079,000	5,157,000
Construction Contingency 10.0%		468,832	468,832		
Construction Engineering & Inspection 5.0%	4,792	235,208	240,000	215,000	240,000
Construction Survey 0.3%		15,000	15,000	19,000	15,000
Totals:	60,477	5,411,679	5,472,156	5,339,000	5,472,000

Project Funding

Code	Name	Existing Budget	Proposed Budget
214	Proposition 42 (sales tax on gasoline)	5,339,000	4,162,150
727	City of Wildomar - (\$436,587 + \$ 23,413 + \$69,000) Alternate 1 Bid amount plus 5.3% for Inspection & Survey plus 15% Contingency		529,000
728	City of Menifee - (\$644,744 + \$34,256 + \$ 101,850) Alternate 2 Bid amount plus 5.3% for Inspection & Survey plus 15% Contingency		780,850
Totals		5,339,000	5,472,000

Comments

The Contract will be awarded for the full amount, including Alternate 1 (City of Wildomar) and Alternate 2 (City of Menifee). Agreements with the City of Wildomar and City of Menifee provides for a 5 year payment schedule.

Form 11 Attachment

Contract/Lease/Purchase Summary Data

Contract (for Services)

- Approval/Renewal
- Sole Source
- Personal Services
- Independent Contractor
- Other than Low Bid
- Change Order
- Public Works

Lease

- Approval/Renewal
- Multi-Year Lease
- Equipment
- Real Property
- Change Order

Purchase (for Materials)

- Sole Source
- Other than Low Bid
- Change Order

Selection Committee Member Names (RFP's Only)

User Department:	Transportation Department
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N/A

Vendor/Lessor Name:	Valley Slurry Seal Company
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Minority Status:

- M W DV None

Vendor/Lessor Location:	West Sacramento, CA
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Local Preference Applied: Yes No N/A

Local Preference Award Cost \$
(5% maximum preference)

Local Preference FYTD: Cost \$

of Orders

Applicable Board Policy #

Comments:

RFQ/RFP Process:

- Date Mailed:
- Response Date:
- # of Responses:
- # of Qualified Responses:

Bidding Process:

- Bid Range: \$ 4,688,323.00 to \$ 6,311,200.00
- Local Bid Range: N/A
- Responsive and Responsible Bid Range: \$ 4,688,323.00 to \$ 6,311,200.00

Contract/Lease Renewals Only

Existing Agreement Items

Proposed Agreement Items

1. Rates
2. Terms
3. Conditions
4. Legal Issues
5. Accountability
6. Utilities

(Continue on blank sheet if necessary)

NOTE: COMPETITIVELY BID PUBLIC WORKS CONTRACT

AGREEMENT

THIS AGREEMENT is entered into at Riverside, California as of the date set forth below is between County of Riverside hereafter called "County" and **Valley Slurry Seal Company** hereafter called "Contractor".

WITNESSETH

RECITALS:

1. Contractor has submitted to County his Contractor's Proposal for the construction c County Project, **Slurry Seal and Cape Seal Projects at various locations - for Fisca Year 2009, Project No. X0901**, in strict accordance with the Contract Documents identified below and County has accepted said Proposal.
2. Contractor states that he has reexamined his Contractor's Proposal and found it to be correct, has ascertained that his subcontractors are properly licensed and possess the requisite skill and forces, has reexamined the site and Contract Documents and is of the opinion that he can presently do the work in accordance with the Contract Documents for the money set forth in his Proposal to be paid as provided in the Contract Documents.

AGREEMENT:

IT IS AGREED BY THE PARTIES AS FOLLOWS:

1. Contract Documents. The entire contract consists of the following: (a) The Agreement. (b) The Notice Inviting Bids. (c) The Instruction to Bidders. (d) The Contractor's Proposal. (e) The Bid Bond. (f) The Payment Bond. (g) The Performance Bond. (h) The General Conditions. (i) The Special Provisions. (j) The Standard Specifications of the State of California Department of Transportation edition of May 2006 as modified in other portions of the Contract Documents. (k) The Standard Plans of the Department of Transportation identified on the plans or in the Special Provisions. (l) The Plans. (m) Addenda No.1. (n) The Determination of Prevailing Wage Rates for Public Work. (o) Any Change Orders issued. (p) Any additional or supplemental specifications, notice, instructions and drawings issued in accordance with the provisions of the Contract Documents. All of said Documents presently in existence are by this reference incorporated herein with like effect as if here set forth in full and upon the proper issuance of other documents they shall likewise be deemed incorporated. The Bid Bond is exonerated upon execution of this Agreement and the Payment Bond and Faithful Performance Bond.
2. The Work. Contractor shall do all things necessary to construct the work generally described in Recital No. 1 in accordance with the Contract Documents.

3. Liquidated Damages and Time of Completion. Attention is directed to the provisions in Section 8-1.06, "Time of Completion", and in Section 8-1.07, "Liquidated Damages", of the Standard Specifications and these Special Provisions.

The Contractor shall begin work within 15 days of the date stated within the written "Notice to Proceed".

The Contractor shall notify the Engineer, in writing, of his intent to begin work at least 72 hours before work is begun. The notice shall be delivered to the Transportation Department's Construction Engineer and shall specify the date the Contractor intends to start. If the project has more than one location of work, a separate notice shall be given for each location.

Should the Contractor begin work in advance of receiving a written "Notice to Proceed", any work performed by him in advance of the date stated in the "Notice to Proceed" shall be considered as having been done by him at his own risk and as a volunteer and subject to the following:

- (1) The Contractor shall, on commencing operations, take all precautions required for public safety and shall observe all the provisions in the Specifications and the Special Provisions.
- (2) All work done according to the contract prior to the issuance of the "Notice to Proceed", will be considered authorized work and will be paid for as provided in the contract.
- (3) The Contractor shall not be entitled to any additional compensation or an extension of time for any delay, hindrance or interference caused by or attributable to commencement of work prior to the issuance of the "Notice to Proceed".

4. Compensation. Contractor shall be paid in the manner set forth in the Contract Documents the amount of his Proposal as accepted by County, the above rates, subject to additions and deductions as provided in the Contract Documents. Said Proposal is on file in the Office of the Clerk of the Board of Supervisors of County.

SLURRY SEAL AND CAPE SEAL PROJECTS AT VARIOUS LOCATIONS

FOR FISCAL YEAR 2009

PROJECT NO. X0901

AGREEMENT

BASE BID:

ITEM NO.	ITEM CODE	ESTIMATED QUANTITY	UNIT	ITEM	ITEM PRICE (IN FIGURES)	TOTAL (IN FIGURES)
1.	013701	221,000	SQYD	CHIP SEAL COAT	1.81	400,010.00
2.	377501	221,000	SQYD	SLURRY SEAL [TYPE 1]	1.10	243,100.00
3.	377501	543,000	SQYD	SLURRY SEAL [TYPE 2]	1.08	586,440.00
4.	000003	1,215,000	SQYD	RUBBERIZED SLURRY SEAL (TYPE II)	1.78	2,162,700.00
5.	414111	1,979,000	SQYD	ROUT AND SEAL RANDOM CRACKS [FOR PREPARATION OF SLURRY SEAL TYPE 1, TYPE 2, AND RUBBERIZED SLURRY SEAL TYPE II]	0.096	189,984.00
6.	840519	8,450	SQFT	THERMOPLASTIC CROSSWALK AND PAVEMENT MARKING	2.93	24,758.50

PROJECT TOTAL: Three million, six hundred six thousand, nine hundred ninety two dollars and fifty cents. \$3,606,992.50
ITEMS 1-6 "WORDS"

ALTERNATE 1 (CITY OF WILDOMAR):

ITEM NO.	ITEM CODE	ESTIMATED QUANTITY	UNIT	ITEM	ITEM PRICE (IN FIGURES)	TOTAL (IN FIGURES)
7.	013701	21,000	SQYD	CHIP SEAL COAT	1.81	38,010.00
8.	377501	21,000	SQYD	SLURRY SEAL [TYPE 1]	0.887	18,627.00
9.	377501	252,000	SQYD	SLURRY SEAL [TYPE 2]	0.923	232,596.00
10.	000003	77,000	SQYD	RUBBERIZED SLURRY SEAL (TYPE II)	1.445	111,265.00
11.	414111	350,000	SQYD	ROUT AND SEAL RANDOM CRACKS [FOR PREPARATION OF SLURRY SEAL TYPE 1, TYPE 2, AND RUBBERIZED SLURRY SEAL TYPE II]	0.042	14,700.00
12.	840519	7,300	SQFT	THERMOPLASTIC CROSSWALK AND PAVEMENT MARKING	2.93	21,389.00

PROJECT SUBTOTAL Four hundred thirty six thousand, five hundred eighty seven dollars and zero cents \$ 436,587.00
ITEMS 6-12 "WORDS"

**AGREEMENT
(Continued)**

ALTERNATE 2 (CITY OF MENIFEE):

ITEM NO.	ITEM CODE	ESTIMATED QUANTITY	UNIT	ITEM	ITEM PRICE (IN FIGURES)	TOTAL (IN FIGURES)
13.	013701	27,000	SQYD	CHIP SEAL COAT	1.810	48,870.00
14.	377501	27,000	SQYD	SLURRY SEAL [TYPE 1]	0.927	25,029.00
15.	377501	515,000	SQYD	SLURRY SEAL [TYPE 2]	0.923	475,345.00
16.	414111	542,000	SQYD	ROUT AND SEAL RANDOM CRACKS [FOR PREPARATION OF SLURRY SEAL TYPE 1 AND TYPE 2]	0.135	73,170.00
17.	840519	7,250	SQFT	THERMOPLASTIC CROSSWALK AND PAVEMENT MARKING	3.080	22,330.00

PROJECT SUBTOTAL Six hundred forty four thousand, seven hundred forty four dollars and zero cents \$ 644,744.00
 ITEMS 13-17 "WORDS"

TOTAL (BASE BID + ALTERNATE "1 &2"), ITEMS 1 – 17:

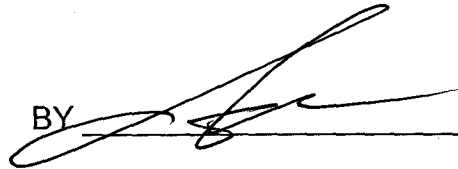
Four million, six hundred eighty eight thousand, three hundred twenty three dollars and fifty cents. **\$4,688,323.50**
 "WORDS"

IN WITNESS WHEREOF the parties hereto have executed this agreement as of the date set forth below.

COUNTY OF RIVERSIDE

VALLEY SLURRY SEAL COMPANY

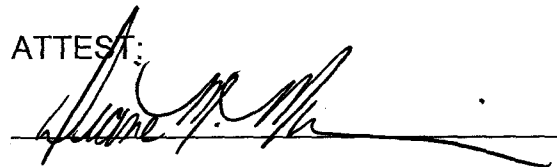
BY _____
Chairman, Board of Supervisors

BY  _____

TITLE: **Alan S. Berger**
Vice President
(If Corporation, Affix Seal)

Dated _____

ATTEST:
Kecia Harper-Ihem, Clerk of the Board

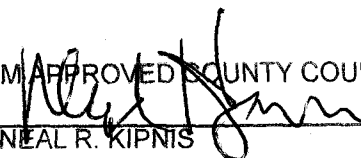
ATTEST:  _____

TITLE: **DIANE M. MINOR**
SECRETARY

BY _____
Deputy

BY _____
"County"
(Seal)

"Corporation"
(Seal)

FORM APPROVED COUNTY COUNSEL
BY:  _____
NEAL R. KIPNIS DATE

June 10, 2009



To Whom It May Concern:

I, Alan S. Berger, duly-elected Vice President of Valley Slurry Seal Company, state that the following resolution is a true and exact copy of that resolution adopted by the Board of Directors of Valley Slurry Seal Company, March 27, 2000.

.....

"NOW, THEREFORE, be it resolved that Diane M. Minor as duly elected Secretary, be authorized to sign any and all bids and/or contracts, and/or legal documents for Valley Slurry Seal Company, a California Corporation, and that his signature shall be binding on the corporation."

.....

A handwritten signature in black ink, appearing to read 'Alan S. Berger', is written over a horizontal line.

Alan S. Berger- Vice President
Valley Slurry Seal Company
A California Corporation
3785 Channel Drive
West Sacramento, CA 95691

ACKNOWLEDGMENT

State of California
County of Yolo)

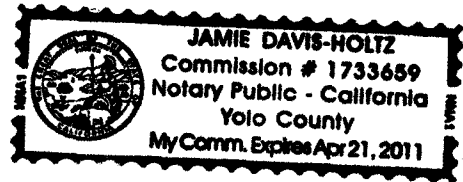
On 6-10-09 before me, Jamie Davis-Holtz, Notary Public
(insert name and title of the officer)

personally appeared Alan S. Berger- Vice President,
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  (Seal)



June 10, 2009



To Whom It May Concern:

I, Diane M. Minor, duly-elected Secretary of Valley Slurry Seal Company, state that the following resolution is a true and exact copy of that resolution adopted by the Board of Directors of Valley Slurry Seal Company, March 1, 1988.

.....

"NOW, THEREFORE, be it resolved that Alan S. Berger as duly elected Vice-President, be authorized to sign any and all bids and/or contracts, and/or legal documents for Valley Slurry Seal Company, a California Corporation, and that his signature shall be binding on the corporation."

.....

A handwritten signature in black ink, appearing to read 'Diane M. Minor', is written over a horizontal line.

Diane M. Minor, Secretary
Valley Slurry Seal Company
A California Corporation
3785 Channel Drive
West Sacramento, CA 95691

ACKNOWLEDGMENT

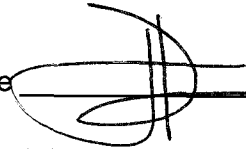
State of California
County of Yolo)

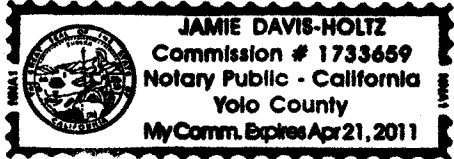
On 6-10-09 before me, Jamie Davis-Holtz, Notary Public
(insert name and title of the officer)

personally appeared Diane M. Minor- Secretary,
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  (Seal)



PERFORMANCE BOND

Recitals:

1. Valley Slurry Seal Company (Contractor) has entered into an Agreement dated _____ with COUNTY OF RIVERSIDE (County) for construction of public work known as Slurry Seal and Cape Seal Projects at various locations - for Fiscal Year 2009, Project No. X0901.

2. _____, a _____ corporation (Surety), is the Surety under this Bond.

Agreement:

We, Contractor, as Principal, and Surety, as Surety, jointly and severally agree, state, and are bound unto County, as obligee, as follows:

1. The amount of the obligation of this Bond is 100% of the estimated contract price for the Project of \$ 4,688,323.50 (Four million, six hundred eighty eight thousand, three hundred twenty three dollars and fifty cents), and inures to the benefit of County.

2. This Bond is exonerated by Contractor doing all things to be kept and performed by it in strict conformance with the Contract Documents for the Project, otherwise it remains in full force and effect for the recovery of loss, damage and expense of County resulting from failure of Contractor to so act. All of said Contract Documents are incorporated herein.

3. This obligation is binding on our successors and assigns.

4. For value received, Surety stipulates and agrees that no change, time extension, prepayment to Contractor, alteration or addition to the terms and requirements of the Contract Documents or the work to be performed thereunder shall affect its obligations hereunder and waives notice as to such matters, except the total contract price cannot be increased by more than 10% without approval of Surety.

THIS BOND is executed as of _____.

By _____

By _____

By _____

Type Name _____

Its Attorney in Fact
"Surety"

Title _____

"Contractor"

(Corporate Seal)

(Corporate Seal)

NOTE: This Bond must be executed by both parties with corporate seal affixed. All signatures must be acknowledged. (Attach acknowledgements).

PERFORMANCE BOND

Recitals:

1. Valley Slurry Seal Company (Contractor) has entered into an Agreement dated June 1, 2009 with COUNTY OF RIVERSIDE (County) for construction of public work known as Slurry Seal and Cape Seal Projects at various locations - for Fiscal Year 2009, Project No. X0901.
2. Western Surety Company, a South Dakota corporation (Surety), is the Surety under this Bond.

Agreement:

We, Contractor, as Principal, and Surety, as Surety, jointly and severally agree, state, and are bound unto County, as obligee, as follows:

1. The amount of the obligation of this Bond is 100% of the estimated contract price for the Project of \$ 4,688,323.50 (Four million, six hundred eighty eight thousand, three hundred twenty three dollars and fifty cents), and inures to the benefit of County.
2. This Bond is exonerated by Contractor doing all things to be kept and performed by it in strict conformance with the Contract Documents for the Project, otherwise it remains in full force and effect for the recovery of loss, damage and expense of County resulting from failure of Contractor to so act. All of said Contract Documents are incorporated herein.
3. This obligation is binding on our successors and assigns.
4. For value received, Surety stipulates and agrees that no change, time extension, prepayment to Contractor, alteration or addition to the terms and requirements of the Contract Documents or the work to be performed thereunder shall affect its obligations hereunder and waives notice as to such matters, except the total contract price cannot be increased by more than 10% without approval of Surety.

THIS BOND is executed as of June 5, 2009

Valley Slurry Seal Company
By [Signature] Alan S. Berger
Vice President

Western Surety Company
By [Signature]

By [Signature] DIANE M. MINOR
SECRETARY

Type Name Rosalie A. Miszkiel
Its Attorney in Fact
"Surety"

Title _____
"Contractor"

(Corporate Seal)

(Corporate Seal)

NOTE: This Bond must be executed by both parties with corporate seal affixed. All signatures must be acknowledged. (Attach acknowledgements).

ACKNOWLEDGMENT

State of California
County of Yolo)

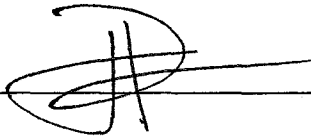
On 6-10-09 before me, Jamie Davis-Holtz, Notary Public
(insert name and title of the officer)

personally appeared Alan S. Berger- Vice President,
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.

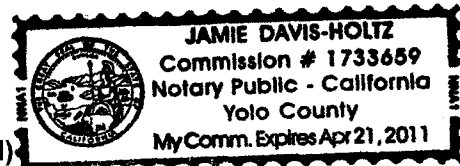
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)



ACKNOWLEDGMENT

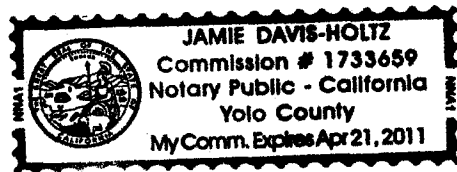
State of California
County of Yolo)

On 6-10-09 before me, Jamie Davis-Holtz, Notary Public
(insert name and title of the officer)

personally appeared Diane M. Minor- Secretary,
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  (Seal)

ACKNOWLEDGMENT

State of California
County of Sacramento)

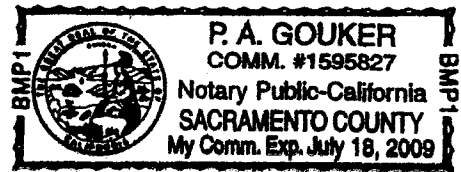
On June 5, 2009 before me, P.A. Gouker, Notary Public
(insert name and title of the officer)

personally appeared Rosalie A. Miskiel,
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 _____ (Seal)



Western Surety Company

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota; and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

Thomas R Hucik, Jo Anne Hucik, Rosalie A Miszkiel, P A Gouker, Individually

of Folsom, CA, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Senior Vice President and its corporate seal to be hereto affixed on this 3rd day of November, 2006.



WESTERN SURETY COMPANY

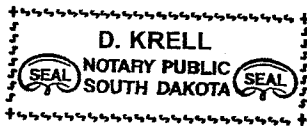
Paul T. Bruflat, Senior Vice President

State of South Dakota }
County of Minnehaha } ss

On this 3rd day of November, 2006, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Senior Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires

November 30, 2012



D. Krell, Notary Public

CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this 5th day of June, 2009



WESTERN SURETY COMPANY

L. Nelson, Assistant Secretary

Authorizing By-Law

ADOPTED BY THE SHAREHOLDERS OF WESTERN SURETY COMPANY

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the shareholders of the Company.

Section 7. All bonds, policies, undertakings, Powers of Attorney, or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, and Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile.

PAYMENT BOND

(Public Work - Civil Code 3247 et seq.)

The makers of this Bond are Valley Slurry Seal Company, as Principal and Original Contractor and _____, a corporation, authorized to issue Surety Bonds in California, as Surety, and this Bond is issued in conjunction with that certain public works contract dated _____, between Principal and COUNTY OF RIVERSIDE a public entity, as Owner, for \$ 4,688,323.50 (Four million, six hundred eighty eight thousand, three hundred twenty three dollars and fifty cents), the total amount payable. THE AMOUNT OF THIS BOND IS ONE HUNDRED PERCENT OF SAID SUM. Said contract is for public work generally consisting of as Slurry Seal and Cape Seal Projects at various locations - for Fiscal Year 2009, Project No. X0901.

The beneficiaries of this Bond are as is stated in 3248 of the Civil Code and requirements and conditions of this Bond are as is set forth in 3248, 3249, 3250 and 3252 of said code. Without notice, Surety consents to extension of time for performance, change in requirements, amount of compensation, or prepayment under said contract.

DATED: _____

Original Contractor - Principal

Surety

By _____

By _____
Its Attorney In Fact

Title _____

(Corporate Seal)

(If corporation, affix seal)

(Corporate Seal)

STATE OF CALIFORNIA
COUNTY OF _____

} ss. SURETY'S ACKNOWLEDGEMENT

On _____ before me, _____ personally appeared, _____, known to me, or proved to me on the basis of satisfactory evidence, to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacities, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature of Notary Public

Notary Public (Seal)

Note: This Bond must be executed by both parties with corporate seal affixed for each party. All signatures must be notarized.

Bond No: 92948 0745
Premium: Included In
Performance Bond

PAYMENT BOND

(Public Work - Civil Code 3247 et seq.)

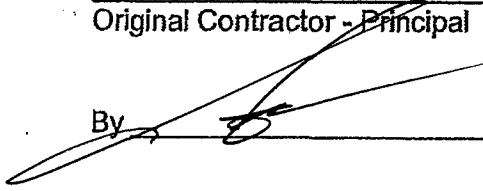
The makers of this Bond are Valley Slurry Seal Company, as Principal and Original Contractor and Western Surety Company, a corporation, authorized to issue Surety Bonds in California, as Surety, and this Bond is issued in conjunction with that certain public works contract dated June 1, 2009, between Principal and COUNTY OF RIVERSIDE a public entity, as Owner, for \$ 4,688,323.50 (Four million, six hundred eighty eight thousand, three hundred twenty three dollars and fifty cents), the total amount payable. THE AMOUNT OF THIS BOND IS ONE HUNDRED PERCENT OF SAID SUM. Said contract is for public work generally consisting of as Slurry Seal and Cape Seal Projects at various locations - for Fiscal Year 2009, Project No. X0901.

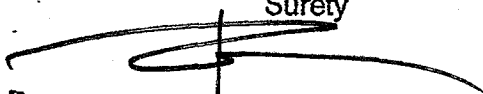
The beneficiaries of this Bond are as is stated in 3248 of the Civil Code and requirements and conditions of this Bond are as is set forth in 3248, 3249, 3250 and 3252 of said code. Without notice, Surety consents to extension of time for performance, change in requirements, amount of compensation, or prepayment under said contract.

DATED: June 5, 2009

Valley Slurry Seal Company
Original Contractor - Principal

Western Surety Company
Surety

By 

By 

Title Alan S. Berger
Vice President

Its Attorney In Fact
Rosalie A. Miszkiel,
Attorney-in-Fact
(Corporate Seal)

(If corporation, affix seal)
(Corporate Seal)

STATE OF CALIFORNIA
COUNTY OF _____

} ss. SURETY'S ACKNOWLEDGEMENT

On _____ before me, _____ personally appeared, _____, known to me, or proved to me on the basis of satisfactory evidence, to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacities, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature of Notary Public

Notary Public (Seal)

Note: This Bond must be executed by both parties with corporate seal affixed for each party. All signatures must be notarized.

ACKNOWLEDGMENT

State of California
County of Yolo

On 6-10-09 before me, Jamie Davis-Holtz, Notary Public
(insert name and title of the officer)

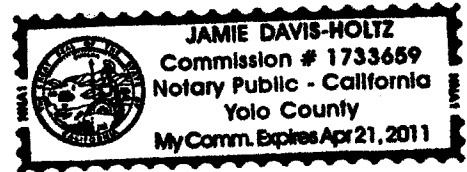
personally appeared Alan S. Berger- Vice President,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their 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 

(Seal)



ACKNOWLEDGMENT

State of California
County of Sacramento)

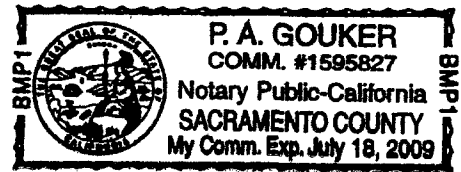
On June 5, 2009 before me, P.A. Gouker, Notary Public
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature [Signature] (Seal)



Western Surety Company

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

Thomas R Hucik, Jo Anne Hucik, Rosalie A Miszkiel, P A Gouker, Individually

of Folsom, CA, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Senior Vice President and its corporate seal to be hereto affixed on this 3rd day of November, 2006.



WESTERN SURETY COMPANY

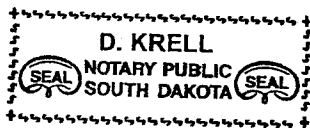
Paul T. Bruflat, Senior Vice President

State of South Dakota }
County of Minnehaha } SS

On this 3rd day of November, 2006, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Senior Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires

November 30, 2012



D. Krell, Notary Public

CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this 5th day of June, 2009



WESTERN SURETY COMPANY

L. Nelson, Assistant Secretary

Authorizing By-Law

ADOPTED BY THE SHAREHOLDERS OF WESTERN SURETY COMPANY

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the shareholders of the Company.

Section 7. All bonds, policies, undertakings, Powers of Attorney, or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, and Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile.

Company Profile

WESTERN SURETY COMPANY

P.O. BOX 5077
SIOUX FALLS, SD 57117-5077

Agent for Service of Process

JERE KEPRIOS, C/O CT CORPORATION SYSTEM 818 WEST SEVENTH STREET, 2ND FLOOR
LOS ANGELES, CA 90017 JERE KEPRIOS, C/O CT CORPORATION SYSTEM 818 WEST
SEVENTH ST LOS ANGELES, CA 90017

Unable to Locate the Agent for Service of Process?

Reference Information

NAIC #:	13188
NAIC Group #:	0218
California Company ID #:	0761-7
Date authorized in California:	July 29, 1930
License Status:	UNLIMITED-NORMAL
Company Type:	Property & Casualty
State of Domicile:	SOUTH DAKOTA

Lines of Insurance Authorized to Transact

The company is authorized to transact business within these lines of insurance. For an explanation of any of these terms, please refer to the glossary.

LIABILITY
SURETY

Company Complaint Information

Company Enforcement Action Documents
Company Performance & Comparison Data
Composite Complaint Studies

Want More?

Help Me Find a Company Representative in My Area

Financial Rating Organizations

Last Revised - June 12, 2009 07:20 PM
Copyright © California Department of Insurance

PRODUCER
Andreini & Company-San Mateo
 License 0208825
 220 West 20th Ave
 San Mateo CA 94403
 Phone: 650-573-1111 Fax: 650-378-4361

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED	INSURERS AFFORDING COVERAGE	NAIC #
Valley Slurry Seal Company 3785 Channel Drive West Sacramento CA 95691	INSURER A: National Union Fire Ins Co PA	19445
	INSURER B: AM Best Rating: A, XV	
	INSURER C: Travelers Property Casualty	25658
	INSURER D: AM Best Rating: A, XV	
	INSURER E: Everest National Insurance Co.	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	X	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Deduc \$1,000,000 GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	0919520	03/01/09	03/01/10	EACH OCCURRENCE \$ 2000000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100000 MED EXP (Any one person) \$ 10000 PERSONAL & ADV INJURY \$ 2000000 GENERAL AGGREGATE \$ 4000000 PRODUCTS - COMP/OP AGG \$ 400000
A	X	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS <input checked="" type="checkbox"/> Deduc \$1,000,000 <input checked="" type="checkbox"/> MCS90 Included	8263243	03/01/09	03/01/10	COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
E		EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$	71C7000257091	03/01/09	03/01/10	EACH OCCURRENCE \$ 5000000 AGGREGATE \$ 5000000
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	PERMISSIVELY SELF INSURED CERTIFICATE #2106 FOR CA			WC STATUTORY LIMITS OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
C		Leased/Rented Equi	QT6607444L337TIL09	03/01/09	03/01/10	Blkt Limi 750000
A		Work Comp-Nevada	7184598	03/01/09	03/01/10	Stat Limi 1000000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
RE: VSS Job#09-038; Slurry Seal and Cape Seal Projects @ Various Locations for Fiscal Year 2009, Project#X0901; County of Riverside, its Directors, Officers, Special Districts, Board of Supervisors, employees, agents, and representatives; SEE NEXT PAGE FOR ADDITIONAL DESCRIPTION OF OPERATIONS >>
 XX

<p>CERTIFICATE HOLDER</p> <p style="text-align: center;">RIVRIV1</p> <p>County of Riverside 3525 14th Street Riverside CA 92501</p>	<p>CANCELLATION</p> <p>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL SEND BY MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT NOT BE RESPONSIBLE TO IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.</p> <p>AUTHORIZED REPRESENTATIVE <i>Mary Beth Downs</i></p>
--	--

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

NOTEPAD:HOLDER CODE RIVR1V1
INSURED'S NAME Valley Slurry Seal CompanyBASIC-1
OP ID MYPAGE 3
DATE 06/09/09

DESCRIPTION OF OPERATIONS, CONTINUED:

City of Wildomar, its employees and agents; and City of Menifee, its employees and agents are included as additional insureds for General Liability per Endts #001 & #002 attached; and for Auto Liability per Form CA20480299 attached; and as Loss Payee for leased/rented equipment per Form CMT801 attached.

The Excess Liability coverage is following form. As such, any endorsements issued for General Liability and Auto Liability automatically apply and extend to this policy.

Primary wording applies for General Liability and Auto Liability per attached Forms 90533 (3/06) and CA00010306.

The CANCELLATION notice herein is amended to read 10 DAYS as respects any cancellation due to non payment of premium.

ENDORSEMENT #001

This endorsement, effective 12:01 A.M. 03/01/2009 forms a part of

Policy No. GL 091-95-20 issued to: Valley Slurry Seal Company

By NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization: See Below

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

A. Section II – Who Is An Insured is amended to include as an Insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.

B. With respect to the insurance afforded to these additional insureds, the following exclusion is added:

2. Exclusions

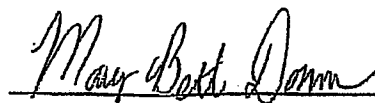
This insurance does not apply to "bodily injury" or "property damage" occurring after:

(1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the site of the covered operations has been completed; or

(2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

Name of Person or Organization:

County of Riverside, its Directors, Officers, Special Districts, Board of Supervisors, employees, agents, and representatives; City of Wildomar; City of Menifee


Authorized Representative

ENDORSEMENT #002

This endorsement, effective 12:01 A.M. 03/01/2009 forms a part of

Policy No. GL 091-95-20 issued to: Valley Slurry Seal Company

By NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

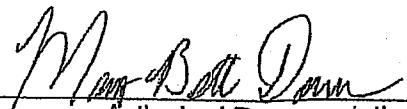
Name of Person or Organization: See Below
Location And Description of Completed Operations: Slurry Seal and Cape Seal Projects @ Various Locations for Fiscal Yr 2009; Project #X0901
Additional Premium: INCLUDED

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

Section II – Who Is An Insured is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" at the location designated and described in the schedule of this endorsement performed for that insured and included in the "products-completed operations hazard".

Name of Person or Organization:

County of Riverside, its Directors, Officers, Special Districts, Board of Supervisors, employees, agents, and representatives; City of Wildomar; City of Menifee


Authorized Representative

ENDORSEMENT

This endorsement, effective 12:01 A.M. 3/1/2009, forms a part of

policy No. 0919520 issued to Valley Slurry Seal Company

by NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

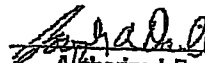
The following paragraph is added to SECTION II - WHO IS AN INSURED and applies only to persons or organizations we have added to your policy as additional insureds by endorsement to comply with insurance requirements of written contracts relative to: a) the performance of your ongoing operations for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

WHERE REQUIRED BY AN "INSURED CONTRACT"

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

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

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


Authorized Representative or
Countersignature (in States Where
Applicable)

POLICY NUMBER: CA 826-32-43

COMMERCIAL AUTO
CA 20 48 02 99

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED

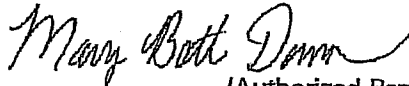
This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who Is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective: 03/01/2009	Countersigned By:
Named Insured: Valley Slurry Seal Company	 (Authorized Representative)

SCHEDULE

<p>Name of Person(s) or Organization(s):</p> <p>County of Riverside, its Directors, Officers, Special Districts, Board of Supervisors, employees, agents, and representatives; City of Wildomar, its employees and agents; and City of Menifee, its employees and agents</p>
--

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to the endorsement.)

Each person or organization shown in the Schedule is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in Section II of the Coverage Form.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. **Transfer Of Rights Of Recovery Against Others To Us**

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. **General Conditions**

1. **Bankruptcy**

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. **Concealment, Misrepresentation Or Fraud**

This Coverage Form is void in any case of fraud by you at any time as it relates to this Coverage Form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. **Liberalization**

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. **No Benefit To Bailee - Physical Damage Coverages**

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. **Other Insurance**

a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own.
- (2) Primary while it is connected to a covered "auto" you own.

b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Liability Coverage is primary for any liability assumed under an "insured contract".

d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. **Premium Audit**

a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. **Policy Period, Coverage Territory**

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;
- c. Puerto Rico;
- d. Canada; and

e. Anywhere in the world if:

- (1) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and
- (2) The "insured's" responsibility to pay

PRIMARY
WRAPPING

COMMERCIAL EXCESS LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED**.

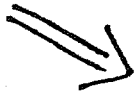
Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - **DEFINITIONS** or the Definitions of the "first underlying insurance".

SECTION I - COVERAGES

A. Insuring Agreement

1. Excess Liability

We will pay on behalf of the insured the amount of the "ultimate net loss" in excess of the "underlying limits of insurance" to which this insurance applies. The coverage provided by this policy will:



- a. Follow the terms, definitions, conditions and exclusions that are contained in the "first underlying insurance", unless otherwise directed by this policy, including any attached endorsements; and
- b. Not be broader than that provided by the "first underlying insurance".

2. Defense

We will have the right, but not the duty to defend or associate in the defense of the insured against any suit seeking damages to which this insurance may apply. If we exercise such right, any expense related to such right will be "defense expenses" under this policy. After the limits of this policy are used up in the payment of:

- a. Judgments;
- b. Settlements; or
- c. "Defense expenses", if "defense expenses" are included within and erode the limits of insurance of the "first underlying insurance",

we will not provide any defense under this policy.

B. Exclusions

This insurance does not apply to:

1. Asbestos

- a. Any liability arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of asbestos.
- b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, or disposing of or in any way responding to or assessing the effects of asbestos by any insured or by any other person or entity.

POLICY NUMBER: QT-630-7444L337-TIL-09

COMMERCIAL INLAND MARINE
GENERAL PURPOSE ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS PAYABLE PROVISION

This endorsement modifies insurance provided under the
IM PAK COVERAGE FORM.

The following is added to Section E - ADDITIONAL COVERAGE CONDITIONS:

Loss Payable Provision

In the event of a Covered Cause of Loss to Covered Property in which both you
and a Loss Payee share an insurable interest, we will:

- a. Adjust the "loss" with you; and
- b. Pay any claim for "loss" jointly to you and the Loss Payee as your
interests may appear.

This endorsement applies to all Covered Property for which a Loss Payee is on
file with us or your insurance agent or insurance broker.

DEPARTMENT OF INDUSTRIAL RELATIONS
SELF-INSURANCE PLANS
2265 Watt Avenue, Suite 1
Sacramento, CA 95825
Phone No. (916)574-0300
FAX (916)483-1535



CERTIFICATION OF SELF-INSURANCE OF WORKERS' COMPENSATION

TO WHOM IT MAY CONCERN:

This certifies that Certificate of Consent to Self-Insure No. **2106-C** was issued by the Director of Industrial Relations to:

Valley Slurry Seal Company

under the provisions of Section 3700, Labor Code of California with an effective date of **August 1, 1988**. The certificate is currently in full force and effective.

Dated at Sacramento, California
This day the 16th of July 2008

A handwritten signature in cursive script that reads "James A. Ware".

James A. Ware, Acting Manager

CC: Racine Martin
Director of Human Resources
Basic Resources Inc.
P.O. Box 3191
Modesto, CA 95354-3191

ORIG: Jamie Davis-Holtz
Contract Administrator
Valley Slurry Seal Company
P.O. Box 981330
West Sacramento, Ca 95798

STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS
OFFICE OF THE DIRECTOR

NUMBER 2106-C

CERTIFICATE OF CONSENT TO SELF-INSURE

VALLEY SLURRY SEAL COMPANY (a California corporation)
THIS IS TO CERTIFY, That Subsidiary of Basic Resources, Inc. - Certificate No. 2106
has complied with the requirements of the Director of Industrial Relations under the provisions of
Sections 3700 to 3705, inclusive, of the Labor Code of the State of California and is hereby granted this
Certificate of Consent to Self-Insure.

This certificate may be revoked at any time for good cause shown.*



EFFECTIVE:

THE 1st DAY OF AUGUST 19 88

DEPARTMENT OF INDUSTRIAL RELATIONS
OF THE STATE OF CALIFORNIA

DIRECTOR

R. T. RINALDI

MARK B. ASHCRAFT
MANAGER

* Revocation of Certificate.—A certificate of consent to self-insure may be revoked by the Director of Industrial Relations at any time for good cause after a hearing (and cause includes, among other things, the impairment of the solvency of such employer, the inability of the employer to fulfill his obligations, or the practice by such employer or his agent in charge of the administration of obligations under this division of any of the following: (a) Habitually and as a matter of practice and custom including claimants for compensation to accept less than the compensation due or making it necessary for them to resort to proceedings against the employer to secure the compensation due; (b) Discharging his compensation obligations in a dishonest manner; (c) Discharging his compensation obligations in such a manner as to cause injury to the public or those dealing with him." (Section 3702 of Labor Code.) The Certificate may be revoked for noncompliance with Title 8, California Administrative Code, Group 2—Administration of Self-Insurance.

Issued 8/17/88

VALLEY SLURRY SEAL SELF-INSURANCE
COVERAGE AND ADMINISTRATION OF WC BENEFITS PLAN
CERTIFICATE NUMBER 2106 - C
ISSUED BY THE DIRECTOR OF INDUSTRIAL RELATIONS CALIFORNIA
(ATTACHED HERETO)

SELF INSURED CORPORATION:
VALLEY SLURRY SEAL
P. O. BOX 981330
WEST SACRAMENTO, CA 95798

THIRD PARTY ADMINISTRATOR
PEGASUS

MASTER CERTIFICATE HOLDER:
BASIC RESOURCES, INC.
928 12TH STREET, SUITE 700
MODESTO, CA 95354

SECONDARY OVERFLOW INSURANCE:

PREVAILING CALIFORNIA LABOR CODE

3700. Every employer except the state shall secure the payment of compensation in one or more of the following ways:

- (a) By being insured against liability to pay compensation by 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 either as an individual employer, or as one employer in a group of employers, 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 or her employees.

3700.1. As used in this article:

- (a) "Director" means the Director of Industrial Relations.
- (b) "Private self-insurer" means a private employer which has secured the payment of compensation pursuant to Section 3701.
- (c) "Insolvent self-insurer" means a private self-insurer who has failed to pay compensation and whose security deposit has been called by the director pursuant to Section 3701.5.
- (d) "Fund" means the Self Insurers' Security Fund established pursuant to Section 3742.
- (e) "Trustees" means the Board of Trustees of the Self-Insurers' Security Fund.
- (f) "Member" means a private self-insurer which participates in the Self-Insurers' Security Fund.
- (g) "Incurred liabilities for the payment of compensation" means the sum of an estimate of future compensation, as compensation is defined by Section 3207, plus an estimate of the amount necessary to provide for the administration of claims, including legal costs, administrative and legal costs relating to or arising from the employer's self-insuring.

3701. (a) Each year every private self-insuring employer shall secure incurred liabilities for the payment of compensation and the performance of the obligations of employers imposed under this chapter by renewing the prior year's security deposit or by making a new deposit of security. If a new deposit is made, it shall be posted within 60 days of the filing of the self-insured employer's annual report with the director, but in no event later than May 1.

(b) The minimum deposit shall be 125 percent of the private self-insurer's estimated future liability for compensation to secure payment of compensation plus 10 percent of the private self-insurer's estimated future liability for compensation to secure payment of all administrative and legal costs relating to or arising from the employer's self-insuring.

3701.5. (a) If the director determines that a private self-insured employer has failed to pay workers' compensation as required by this division, the security deposit shall be utilized to administer and pay the employer's compensation obligations.

Company Profile

**NATIONAL UNION FIRE INSURANCE COMPANY
OF PITTSBURGH, PA
70 PINE STREET
NEW YORK, NY 10270
800-551-0824**

Agent for Service of Process

KAREN HARRIS, 2730 GATEWAY OAKS DRIVE SUITE 100 SACRAMENTO, CA 95833

Unable to Locate the Agent for Service of Process?

Reference Information

NAIC #:	19445
NAIC Group #:	<u>0012</u>
California Company ID #:	0131-3
Date authorized in California:	November 28, 1902
License Status:	UNLIMITED-NORMAL
Company Type:	Property & Casualty
State of Domicile:	PENNSYLVANIA

Lines of Insurance Authorized to Transact

The company is authorized to transact business within these lines of insurance. For an explanation of any of these terms, please refer to the glossary.

AIRCRAFT
AUTOMOBILE
BOILER AND MACHINERY
BURGLARY
COMMON CARRIER LIABILITY
DISABILITY
FIRE
LIABILITY
MARINE
MISCELLANEOUS
PLATE GLASS
SPRINKLER
SURETY
TEAM AND VEHICLE
WORKERS' COMPENSATION

Company Profile

TRAVELERS INDEMNITY COMPANY (THE)
ONE TOWER SQUARE, 4MN TRAVELERS / Mary T. Restelli
HARTFORD, CT 06183
860-277-0111

Agent for Service of Process

KAREN HARRIS, 2730 GATEWAY OAKS DRIVE SUITE 100 SACRAMENTO, CA 95833

Unable to Locate the Agent for Service of Process?

Reference Information

NAIC #:	25658
NAIC Group #:	3548
California Company ID #:	4772-0
Date authorized in California:	June 17, 2002
License Status:	UNLIMITED-NORMAL
Company Type:	Property & Casualty
State of Domicile:	CONNECTICUT

Lines of Insurance Authorized to Transact

The company is authorized to transact business within these lines of insurance. For an explanation of any of these terms, please refer to the glossary.

AIRCRAFT
AUTOMOBILE
BOILER AND MACHINERY
BURGLARY
COMMON CARRIER LIABILITY
CREDIT
DISABILITY
FIRE
LIABILITY
MARINE
MISCELLANEOUS
PLATE GLASS
SPRINKLER
SURETY
TEAM AND VEHICLE
WORKERS' COMPENSATION

Company Profile

EVEREST NATIONAL INSURANCE COMPANY

477 MARTINSVILLE ROAD
LIBERTY CORNER, NJ 07938-0830
800-438-4375

Former Names for Company

Old Name: PRUDENTIAL NATIONAL INSURANCE COMPANY	Effective Date: 06-17-1996
Old Name: DRYDEN GUARANTY INSURANCE COMPANY	Effective Date: 10-20-1993

Agent for Service of Process

NANCY CARAVACA, 1111 BROADWAY SUITE 2050 OAKLAND, CA 94607
Unable to Locate the Agent for Service of Process?

Reference Information

NAIC #:	10120
NAIC Group #:	1120
California Company ID #:	3138-5
Date authorized in California:	March 02, 1988
License Status:	UNLIMITED-NORMAL
Company Type:	Property & Casualty
State of Domicile:	DELAWARE

Lines of Insurance Authorized to Transact

The company is authorized to transact business within these lines of insurance. For an explanation of any of these terms, please refer to the glossary.

AIRCRAFT
AUTOMOBILE
BOILER AND MACHINERY
BURGLARY
COMMON CARRIER LIABILITY
FIRE
LIABILITY
MARINE
PLATE GLASS
SPRINKLER
SURETY
TEAM AND VEHICLE
WORKERS' COMPENSATION
