

Contract No. 1011-200
2010/2011 Tank Improvements
PWP #WA-2011-151

THIS CONTRACT FOR CONSTRUCTION, made and entered into this 23rd day of February, 2011, by and between **Farr Construction Corporation, 525 Spice Island Unit F, Sparks, NV 89431** hereinafter referred to as "Contractor", and Truckee Meadows Water Authority, P.O. Box 30013, Reno Nevada 89520-3013 hereinafter referred to as "Owner".

WITNESSETH:

That for and in consideration of the promises and agreements hereinafter made and exchanged, the Owner and the Contractor agree as follows:

1. **Scope of Work.** The Contractor will furnish all labor, materials, equipment, tools, transportation, services, appliances, and appurtenances for the construction of the **2010/2011 Tank Improvements** project in accordance with the Contract Provisions, Plans, and Specifications therefore, adopted by the Owner as prepared by Owner and all work incidental or reasonably inferable which is necessary to produce the results intended by the Contract Documents (the "Work"). The Contractor represents and agrees that it has carefully examined and understands this Agreement and the other Contract Documents, has investigated the nature, locality and site of the Work and the conditions and difficulties under which it is to be performed, and that it enters into this Agreement on the basis of its own examination, investigation and evaluation of all such matters and not in reliance upon any opinions or representations of the Owner, or any of their respective officers, agents, servants, or employees.
2. **Contract Sum.** Owner shall pay the Contractor, as full and complete compensation for Contractor's timely performance of all the Work in accordance with the Contract Documents and to the satisfaction of Owner, the lump sum amount of **Three Hundred and Fourteen Thousand, Eight Hundred and Seventy Nine (\$314,879.00)**. The amount set forth above includes the aggregate amount of all allowances and unit price items to be furnished or installed.
3. **Progress Payments.** The Owner will pay the Contractor progress payments and the final payment in accordance with the provisions set forth in the Specifications computed from the actual quantities of work performed and accepted, and the materials furnished, at the unit and lump sum prices shown in the Proposal, as bid in conformance with the Contract Documents defined hereinafter. Owner will retain from such estimated value of the work done the amounts specified in the General Conditions. Owner shall pay to Contractor, at the end of each quarter this Agreement is in effect, interest for the quarter on the amount withheld at a rate to be determined by Owner in accordance with NRS 338.515. Except with respect to any payment withheld pursuant to NRS 338.525, the amount of payments withheld as provided herein shall be retained for a period of 30 days from the date of project Completion and acceptance. Contractor shall pay the subcontractors progress payments and pay interest on amounts retained from said progress payments in accordance with the provisions of NRS 338.510 through NRS 338.535.
4. **Time of Completion.** Contractor shall promptly commence and diligently prosecute the Work to be performed under this Agreement and achieve 100 percent completion by **April 14, 2011** to the entire satisfaction of the Owner before final payment is made. All times stated in the Contract Documents, including interim milestones and those for the delivery and installation of materials and equipment, are of the essence of this Agreement
5. **Liquidated Damages.** Owner and Contractor recognize Owner will suffer extensive damages if the Work is not completed within the time specified above, the exact amount of which is difficult to ascertain. Accordingly, if Contractor fails to achieve 100 percent completion of the Work within the time specified above, Owner shall be entitled to retain or recover from Contractor, as liquidated damages for delay (but not as a penalty) the sum of **\$500.00** per day commencing on the expiration of the time specified above and continuing until the actual date of 100 percent completion. Owner may deduct liquidated damages from any unpaid amounts then or thereafter due the Contractor under this Agreement

Contract No. 1011-200
2010/2011 Tank Improvements
PWP #WA-2011-151

6. **Prevailing Wage.** Contractor will pay, and will require all subcontractors to pay, unless otherwise exempt from, all employees on said work a salary or wage at least equal to the prevailing salary or wage established for such work as set forth in the wage determinations and wage standards applicable to this work, as contained in or referenced by the Contract Provisions for this work. Contractor shall forfeit to the Owner, as a penalty, not less than \$20 nor more than \$50 for each calendar day and portion thereof that each workman employed on the public work: (a) is paid less than the designated rate for work done under the contract by the Contractor or any subcontractor under him (b) is not reported to the public body awarding as required pursuant to NRS 338.070. In the performance of this Contract, not more than eight (8) hours shall constitute a day's work, and the Contractor shall not require more than (8) hours of labor in a day from any person employed by him hereunder. Contractor shall keep accurate records showing the name, occupation and actual per diem wages and benefits paid to each workman employed by him in connection with this project. The records shall be open to inspection by Owner, its officers and agents and at all reasonable hours.
7. **Acceptance and Final Payment.** As soon as practical following the completion of all phases of the Work, the Contractor shall make request by letter to Owner for a final inspection and acceptance of the Work, and if, in Owner's opinion, all provisions of the Contract Documents and Agreement have been satisfied, Owner will cause a Notice of Completion to be completed by the Project Manager and sent to the Labor Commissioner. Final payment, constituting the entire unpaid balance of the contract sum, shall be made by Owner to Contractor when the Contract has been fully performed by Contractor except for Contractor's responsibility to satisfy requirements, if any, which necessarily survive final payment; and the Notice of Completion has been sent to the Labor Commissioner. Final payment shall be made by Owner not more than 30 calendar days following the Notice of Completion, as specified in the General Conditions. Final payment is further subject to Owner's prior receipt from Contractor of all as-built drawings, certifications, prevailing wages, maintenance manuals, operating instructions, written guarantees, warranties, and bonds relating to the Work, and assignments of all guarantees and warranties from subcontractors, vendors, suppliers, or manufacturers, all as required by the Contract Documents. Acceptance of final payment by the Contractor shall constitute a full waiver and release by the Contractor of all claims against Owner arising out of or relating to this Agreement.
8. **Insurance.** The Contractor shall purchase and maintain prior to performing any Work on the Project, at its sole expense, from a company or companies authorized to do business in the State of Nevada, insurance policies containing the types of coverages and minimum limits of liability described in the General Conditions protecting from claims which may arise out of or result from the performance or non-performance of services under this Contract by the Contractor or by anyone directly or indirectly employed by it, or by anyone for whose acts it may be liable, including without limitation subcontractors, independent contractors, and agents. Contractor shall procure and maintain at a minimum the insurance as required in the General Conditions, and shall require all subcontractors to procure and maintain at a minimum the insurance as required in the General Conditions, including but not limited to industrial insurance as required by the Nevada Industrial Insurance Act and the Nevada Occupational Diseases Act. Contractor or his subcontractor(s) failure to pay premiums will automatically authorize Owner to, at its option, terminate this Agreement or withhold amounts from funds due the Contractor and make insurance premium payments on behalf of the Contractor and/or his subcontractors.
9. **Performance and Payment Bonds.** The Contractor shall, prior to the execution of the Contract, furnish two bonds on the forms bound herein approved by the Owner, one in the amount of One Hundred Percent (100%) of the Contract price, to guarantee the faithful performance of the work, and one in the amount of One Hundred Percent (100%) of the Contract price to guarantee payment of all claims for labor and materials furnished. This Contractor shall not begin work until such bonds are supplied to and approved by the Owner.
10. **Contract Documents.** Contract Documents include, but are not limited to the Invitation to Bid Book including the: Invitation to Bid, Instructions to Bidders, Bid Bond, Bid Bid Schedule, Contract Award Instructions, Contract Performance Bond, Payment Bond, General Conditions, Permits, Supplementary Conditions, Standard Specifications, Technical Specifications, Plans, details, Addenda, if any, Executed Change Orders, if any, Notice of Award, Notice to

Contract No. 1011-200
2010/2011 Tank Improvements
PWP #WA-2011-151

Proceed Plans, and any other document that is incorporated into the contract is hereinafter referred to as EXHIBIT "A" and located at the Owner's office for public inspection.

- 11. Nondiscrimination.** In accordance with NRS 338.125, in connection with the performance of work under this contract, the Contractor agrees not to discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex or age. Such agreements shall include, but not be limited to, the following: Employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Any violation of such provision by the Contractor shall constitute a material breach of the Contract. Further, Contractor agrees to insert this nondiscrimination provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.
- 12. Veteran's Preference.** Contractor agrees to give preference as provided in NRS 338.130. If this provision is not complied with, the Contract shall be void, and any failure or refusal to comply with this provision shall render the Contract void.
- 13. Warranty.** In addition to any other warranties provided by law or in the General conditions, Contractor warrants the Work under this Contract to be free from all defects for a period of one year from the date of final acceptance by Owner. Any defects found during this period shall be repaired by the Contractor at no cost to Owner in accordance with the requirements of the Contract Documents.
- 14. Indemnification/Hold Harmless.** Owner has established specific indemnification and insurance requirements for agreements with Contractors which are fully set forth in the General Conditions, which Contractor has examined, understands and agrees to perform. Indemnification and hold harmless clauses are intended to assure that Contractors accept responsibility to pay for the loss liability and any and all costs and expenses arising out of their activities and Work.
- 15. Termination.** In addition to other provisions of this Agreement, Owner has the right to terminate the Agreement without cause at any time upon giving Contractor seven days notice in writing. In the event the Agreement is terminated by Owner in accordance with this provision, Owner agrees to pay Contractor for all work satisfactorily completed and for materials installed prior to the date of termination.
- 16. Governing Law.** This Agreement shall be governed by, interpreted under and construed and enforced in accordance with the laws of the State of Nevada, with venue in the County of Washoe. Each party acknowledges and agrees that the laws of the State of Nevada and the selection of venue were freely chosen.
- 17. Compliance with Laws.** Pursuant to NRS 338.153, Contractor shall comply, and shall insure each subcontractor and other person who provides labor, equipment, materials, supplies or services for the Project complies, with the requirements of all applicable state and local laws, including without limitation, any applicable licensing requirements and requirements for the payment of sales and use taxes on equipment, materials and supplies provided for the Project.
- 18. Confidentiality.** Contractor acknowledges and agrees the Drawings and Technical Specifications reveal critical infrastructure of facilities used for storing, transporting or transmitting water as contemplated by Nevada's Homeland Security Act, and that the disclosure or release of the Drawings and Technical Specifications to any unauthorized person would create a substantial likelihood of compromising, jeopardizing or otherwise threatening the public health, safety or welfare. Contractor shall not, and shall ensure its Subcontractors, employees and agents shall not, knowingly disclose such documents or information or assist, solicit or conspire with another person to disclose such documents or information Contract Documents without the express prior written consent of Owner.
Owner and Contractor hereby enter into this agreement as of the date and year first written above.

Contract No. 1011-200
2010/2011 Tank Improvements
PWP #WA-2011-151

"Owner"

TRUCKEE MEADOWS WATER AUTHORITY, a joint powers authority

By: Mark Jace Date: 3/9/11

TMWA, General Manager

STATE OF NEVADA)
) ss
County of Washoe)

Jeff Farr being first duly sworn, deposes and says: That he is the Contractor, or authorized agent of the Contractor, for whom the aforesaid described work is to be performed by; that he has read the foregoing Contract and understands the terms, conditions, and requirements thereof.

CONTRACTOR:

By: Jeff Farr
Title: President
Firm: Farr Construction Corporation
Address: 525 Spice Island Unit F
City/State & Zip: Sparks, NV 89431
Telephone: (775) 826-9898
Fax: (775) 826-4074
E-mail: jfarr@farrcc.com

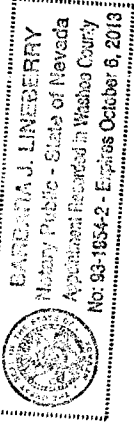
(Signature Of Contractor)

DATED this 3rd day of March, 2011.

ATTEST:
On this 3rd day of March in the year
2011, before me, BARBARA J. LINEBERRY
/Notary Public, personally appeared Jeff Farr
personally known to me (or proved to me on the basis
of satisfactory evidence) to be the person whose name
is subscribed to this instrument, and acknowledged that
he executed it.

WITNESS my hand and official seal:

Barbara J. Lineberry
Notary's Signature



PERFORMANCE BOND

Bond No. SB023000022

KNOW ALL MEN BY THESE PRESENTS, that I/we **Farr Construction Corporation, 525 Spice Island Unit F, Sparks, NV 89431** as Principal, hereinafter called Contractor, and

Ullico Casualty Company

a corporation duly organized or authorized to do business under the laws of the State of Nevada, as Surety, hereinafter called the Surety, are held and firmly bound unto Truckee Meadows Water Authority, a joint powers authority created pursuant to NRS Chapter 277, for the Sum of **Three Hundred and Fourteen Thousand, Eight Hundred and Seventy Nine (\$314,879.00)** for the payment whereof Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents. This bond shall be governed by the laws of the State of Nevada.

WHEREAS, Contractor has by written agreement dated February 23, 2011 entered into a contract with Truckee Meadows Water Authority for **BID #1011-200** and titled **"2010/2011 Tank Improvements"** in accordance with drawings and specifications prepared by Truckee Meadows Water Authority and which contract is by reference made a part hereof, and is hereinafter referred to as the Contract.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if Contractor shall promptly and faithfully perform said Contract then this obligation shall be null and void; otherwise it shall remain in full force and effect. The Surety hereby waives notice of any alteration or extension of time made by Truckee Meadows Water Authority and its obligation is not affected by any such alteration or extension provided the same is within the scope of the contract. Whenever Contractor shall be, and is declared by Truckee Meadows Water Authority to be in default under the Contract, Truckee Meadows Water Authority having performed Truckee Meadows Water Authority's obligations thereunder, the Surety may promptly remedy the default or shall promptly:

- 1) Complete the Contract in accordance with its terms and conditions; or
- 2) Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by Truckee Meadows Water Authority and the Surety jointly of the lowest responsive, responsible bidder, arrange for a contract between such bidder and Truckee Meadows Water Authority, and make available as work progresses (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price, but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the contract price", as used in this paragraph, shall mean the total amount payable by Truckee Meadows Water Authority to Contractor under the Contract and any amendments thereto, less the amount properly paid by Truckee Meadows Water Authority to Contractor. No right of action shall accrue on this bond to or for the use of any person or corporation other than Truckee Meadows Water Authority or successors of Truckee Meadows Water Authority.

PERFORMANCE BOND

Continued for BID #1011-200 and titled "2010/2011 Tank Improvements"

BY: [Signature] (signature of Principle)

TITLE: President L.S.

FIRM: Farr Construction Corporation

Address: 525 Spice Island Unit

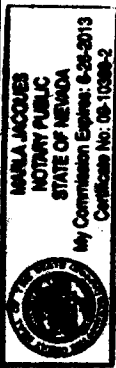
City, State, Zip: Sparks, NV 89431

Phone: (775) 826-9898

Printed Principal's Name: Jeff Farr

Attest by: [Signature: Markle Jorgensen] (signature of Notary)

Subscribed and Sworn before me this 2nd day of March, 2011.



Notary public for the State of Nevada
County of Washoe

CLAIMS UNDER THIS BOND MAY BE ADDRESSED TO:

Nevada Agent Information

Name of Surety	Name of Nevada Licensed Agent
Ullico Casualty Company	Robert W. Lagler
Address	Address
2600 West Olive Ave. 5th Fl.	1499 SE Tech Center Pl. #150
City	City
Burbank	Vancouver
State/Zip Code	State/Zip Code
CA 91505	WA 98683
Name	Agent's Name
<u>[Signature: Robert W. Lagler]</u> Robert W. Lagler	Robert W. Lagler
Title	Agent's Title
Attorney-In-Fact	Agent/Manager
Telephone	Agent's Telephone
818-333-5199	360-892-5840

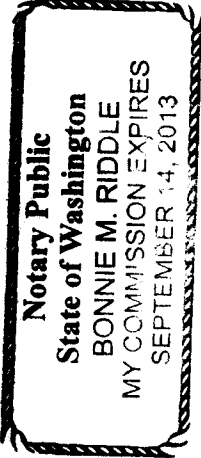
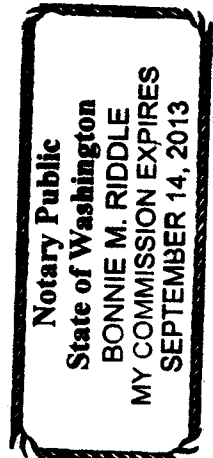
Surety's Acknowledgment: Nevada Agent's Acknowledgment:
By: [Signature: Bonnie M. Riddle] By: [Signature: Bonnie M. Riddle]

Bonnie M. Riddle

Bonnie M. Riddle

NOTICE:

No substitution or revision to this bond form will be accepted. Sureties must be authorized to do business in and have an agent for service of process in the State of Nevada. Certified copy of Power of Attorney must be attached.





ULLICO Casualty Company
1625 Eye Street, N.W. Washington D.C. 20006
Power of Attorney

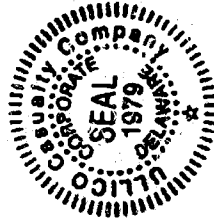
KNOW ALL PERSONS BY THESE PRESENTS: That ULLICO CASUALTY COMPANY (the Company), a corporation organized and existing under the laws of the State of Delaware, does hereby constitute and appoint: Robert Lagler, Bonnie Riddle, Anna Frese of Phoenix Surety & Insurance Agency, Inc Its true and lawful Attorney (s) in fact with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an amount not to exceed \$5,000,000.00. This Power of Attorney shall expire without further action on December 31, 2009.

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of ULLICO Casualty Company at a meeting duly called the 15th day of July, 2009.

RESOLVED: That the Board of Directors hereby authorizes the President or any Vice President of the Company to: (1) Appoint Attorney(s) in Fact and authorize the Attorney(s) in Fact to execute on behalf of the Company bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and to attach the seal of the Company thereto; and (2) to remove, at any time, any such Attorney-in-Fact and revoke the authority given. And, be it

FURTHER RESOLVED: That the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with the respect to any bond or undertaking to which it is attached.

IN TESTIMONY WHEREOF, ULLICO CASUALTY COMPANY has caused this instrument to be signed and its corporate seal to be affixed by its authorized office this 16th day of July, 2009.



PRESIDENT

Daniel Aronowitz
President ULLICO Casualty Company, a Delaware Corporation.

On this 16th day of July, 2009, before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn said that he is the therein described and authorized officer of the ULLICO CASUALTY COMPANY; that the seal affixed to said instrument is the Corporate seal of said Company; that the said Corporate Seal and his signature were duly affixed.

Notary Public

CATHERINE M. OBRIEN
NOTARY PUBLIC STATE OF MARYLAND
MONTGOMERY COUNTY
MY COMMISSION EXPIRES JANUARY 21, 2012
CERTIFICATE

I, Teresa E. Valentine, Senior Vice President, General Counsel and Secretary of ULLICO Casualty Company, do hereby certify that the foregoing resolution of the Board of Directors and this Power of Attorney issued pursuant thereto on this 16th day of July 2009 are true and correct and are still in full force and effect. I do further certify that that Daniel Aronowitz, who executed the Power of Attorney as President, was on the date of execution of the attached Power of Attorney the duly elected President of ULLICO Casualty Company.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 25th day of February, 2011

Teresa E. Valentine
Senior Vice President, General Counsel & Secretary
ULLICO Casualty Company

LABOR AND MATERIAL PAYMENT BOND

Bond No. SB023000022

KNOW ALL MEN BY THESE PRESENTS, that I/we Farr Construction Corporation, 525 Spice Island Unit F, Sparks, NV 89431 as Principal, hereinafter called Contractor, and

Ullico Casualty Company

a corporation duly organized or authorized to do business under the laws of the State of Nevada, as Surety, hereinafter called the Surety, are held and firmly bound unto Truckee Meadows Water Authority, a joint powers authority created pursuant to NRS Chapter 277, for the sum of Three Hundred and Fourteen Thousand, Eight Hundred and Seventy Nine (\$314,879.00) for the payment whereof Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents. This bond shall be governed by the laws of the State of Nevada.

WHEREAS, Contractor has by written agreement dated February 23, 2011 entered into a contract with Truckee Meadows Water Authority for BID #1011-200 and titled "2010/2011 Tank Improvements" in accordance with drawings and specifications prepared by Truckee Meadows Water Authority and which contract is by reference made a part hereof, and is hereinafter referred to as the Contract.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if Contractor shall promptly make payment to all claimants as hereinafter defined, for all labor and material used or reasonably required for use in the performance of the Contract, then this obligation shall be void; otherwise it shall remain in full force and effect, subject, however, to the following conditions:

- 1) A claimant is defined as one having a direct contract with the Contractor or with a Subcontractor of the Principal for labor, material, or both, used or reasonably required for use in the performance of the Contract, labor and material being construed to include that part of water, gas, power, light, heat, oil, gasoline, telephone service, or rental of equipment directly applicable to the Contract.
- 2) The above-named Principal and Surety hereby jointly and severally agree with Truckee Meadows Water Authority that every claimant as herein defined, who has not been paid in full before the expiration of a period of ninety (90) days after the date on which the last of such claimant's work or labor was done or performed, or materials were furnished by such claimant, may sue on this bond for the use of such claimant, prosecute the suit to final judgment for such sum or sums as may be justly due claimant, and have execution thereon. Truckee Meadows Water Authority shall not be liable for the payment of any costs or expenses of any such suit.
- 3) No suit or action shall be commenced hereunder by any claimant:
 - a) Unless claimant, other than one having a direct contract with the Contractor, shall have given written notice to any two of the following: the Contractor, Truckee Meadows Water Authority, or the Surety above named, within ninety (90) days after such claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were furnished, or for whom the work or labor was done or performed. Such notice shall be personally served or served by mailing the same by registered mail or certified mail, postage prepaid, in an envelope addressed to the Principal at any place the Principal maintains an office or conducts its business.
 - b) After the expiration of one (1) year following the date on which the last of the labor was performed or material was supplied by the party bringing suit.
 - c) Other than in a court of competent jurisdiction for the county or district in which the construction contract was to be performed.

LABOR AND MATERIAL PAYMENT BOND

Continued for BID # 1011-200 and titled "2010/2011 Tank Improvements"

4) The amount of this bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder.

BY:  (signature of Principle)

TITLE: President

L.S.

FIRM: Farr Construction Corporation

Address: 525 Spice Island Unit

City, State, Zip: Sparks, NV 89431

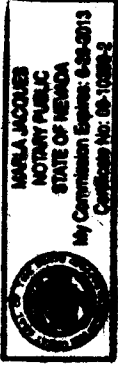
Phone: (775) 826-9898

Printed Principal's Name: Jeff Farr


Attest by:  (signature of Notary)

Subscribed and Sworn before me this 3rd day of March, 2011.

Notary public for the State of Nevada
County of Washoe



CLAIMS UNDER THIS BOND MAY BE ADDRESSED TO:

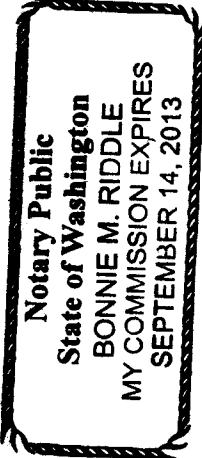
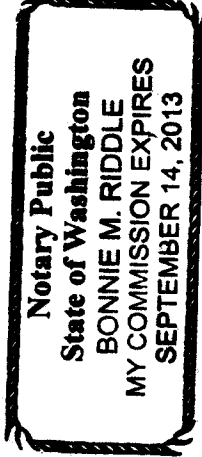
Nevada Agent Information	
Name of Surety	Name of Nevada Licensed Agent
Ullico Casualty Company	Robert W. Lagler
Address 2600 West Olive Ave. 5th Fl.	Address 1499 SE Tech Center Pl. #150
City Burbank	City Vancouver
State/Zip Code CA 91505	State/Zip Code WA, 98683
Name  Robert W. Lagler	Agent's Name Robert W. Lagler
Title Attorney-in-Fact	Agent's Title Agent/ Manager
Telephone 818-333-5199	Agent's Telephone 360-892-5840

Surety's Acknowledgment:
By:  Bonnie M. Riddle

Neveda Licensed Agent's Acknowledgment:
By:  Bonnie M. Riddle

NOTICE:

No substitution or revision to this bond form will be accepted. Sureties must be authorized to do business in and have an agent for service of process in the State of Nevada. Certified copy of Power of Attorney must be attached.





ULLICO Casualty Company
1625 Eye Street, N.W. Washington D.C. 20006
Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS: That ULLICO CASUALTY COMPANY (the Company), a corporation organized and existing under the laws of the State of Delaware, does hereby constitute and appoint: Robert Lagler, Bonnie Riddle, Anna Frese of Phoenix Surety & Insurance Agency, Inc Its true and lawful Attorney (s) in fact with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an amount not to exceed \$5,000,000.00. This Power of Attorney shall expire without further action on December 31, 2009.

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of ULLICO Casualty Company at a meeting duly called the 15th day of July, 2009.

RESOLVED: That the Board of Directors hereby authorizes the President or any Vice President of the Company to: (1) Appoint Attorney(s) in Fact and authorize the Attorney(s) in Fact to execute on behalf of the Company bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and to attach the seal of the Company thereto; and (2) to remove, at any time, any such Attorney-in-Fact and revoke the authority given. And, be it

FURTHER RESOLVED: That the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with the respect to any bond or undertaking to which it is attached.

IN TESTIMONY WHEREOF, ULLICO CASUALTY COMPANY has caused this instrument to be signed and its corporate seal to be affixed by its authorized office this 16th day of July, 2009.



PRESIDENT

Daniel Aronowitz
President ULLICO Casualty Company, a Delaware Corporation.

On this 16th day of July, 2009, before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn said that he is the therein described and authorized officer of the ULLICO CASUALTY COMPANY; that the seal affixed to said instrument is the Corporate seal of said Company; that the said Corporate Seal and his signature were duly affixed.

Notary Public

CATHERINE M. OBRIEN
NOTARY PUBLIC STATE OF MARYLAND
MONTGOMERY COUNTY
MY COMMISSION EXPIRES JANUARY 21, 2012
CERTIFICATE

I, Teresa E. Valentinc, Senior Vice President, General Counsel and Secretary of ULLICO Casualty Company, do hereby certify that the foregoing resolution of the Board of Directors and this Power of Attorney issued pursuant thereto on this 16th day of July 2009 are true and correct and are still in full force and effect. I do further certify that that Daniel Aronowitz, who executed the Power of Attorney as President, was on the date of execution of the attached Power of Attorney the duly elected President of ULLICO Casualty Company.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 25th day of February, 2011

Teresa E. Valentinc
Senior Vice President, General Counsel & Secretary
ULLICO Casualty Company

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/08/2011

PRODUCER (360) 892-5840
Phoenix Surety & Insurance Agency, Inc.
1499 SE Tech Center Place
Suite 150
Vancouver WA 98683-

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.

INSURERS AFFORDING COVERAGE NAIC #
 INSURER A: Colony Insurance Company A+ VII
 INSURER B: United Financial Casualty A+ X
 INSURER C: Travelers Property Co. A+ XV
 INSURER D:
 INSURER E:

INSURED
 Farr Construction Corporation
 525 Spice Island Unit F
 Sparks NV 89431-

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.

INSURANCE LINES	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY	GL950396	/ /	/ /	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (EA occurrence) \$ 100,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person) \$ 5,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				PERSONAL & ADV INJURY \$ 1,000,000
B	AUTOMOBILE LIABILITY	05358868-1	/ /	/ /	GENERAL AGGREGATE \$ 2,000,000
	<input checked="" type="checkbox"/> ANY AUTO				PRODUCTS - COMP/OP AGG \$ 2,000,000
	<input type="checkbox"/> ALL OWNED AUTOS				COMBINED SINGLE LIMIT \$ 1,000,000
	<input type="checkbox"/> SCHEDULED AUTOS				BOOKLY INJURY (Per person) \$
	<input checked="" type="checkbox"/> HIRED AUTOS		/ /	/ /	BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> NON-OWNED AUTOS		/ /	/ /	PROPERTY DAMAGE (Per accident) \$
			/ /	/ /	AUTO ONLY - EA ACCIDENT \$
			/ /	/ /	OTHER THAN EA ACC AUTO ONLY: AGG \$
A	GARAGE LIABILITY	XS161914	04/22/2010	04/01/2011	EACH OCCURRENCE \$ 3,000,000
	<input type="checkbox"/> ANY AUTO				AGGREGATE \$ 3,000,000
	EXCESS/UMBRELLA LIABILITY				
	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				
C	DEDUCTIBLE		/ /	/ /	
	RETENTION \$		/ /	/ /	
	WORKERS COMPENSATION AND EMPLOYER'S LIABILITY		/ /	/ /	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below		/ /	/ /	
OTHER	Inland Marine	600-4080N178	04/01/2010	04/01/2011	Scheduled Equipment 126,700 Rented Equipment 50,000 Deductible 1,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENTS/SPECIAL PROVISIONS
 RE: Contract No. 1011-200 2010/2011 Tank Improvements PWP #WA-2011-151
 TRWA, its officers, employees and immune Contractors are included as additional insured, waiver of subrogation applies.

CERTIFICATE HOLDER
 (775) 834-8056
 Justine Chambers

CANCELLATION
 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER'S AGENTS OR REPRESENTATIVES.
 AUTHORIZED REPRESENTATIVE

Truckee Meadows Water Authority
 P.O. Box 30013
 1355 Capital Blvd.
 Reno NV 89520-3013

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
TRANSFER OF RIGHTS OF RECOVERY
AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, 8. Transfer of Rights Of Recovery Against Others To Us is amended and the following added:

We waive any rights of recovery we may have against any person or organization because of payments we make for "bodily injury" or "property damage" caused by or resulting from your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard" if:

- a. you agreed to such waiver; and
- b. the waiver is included as part of a written construction contract or lease; and
- c. such written contract or lease was entered into prior to any claim to which this insurance applies.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE	
Name of Additional Insured Person(s) or Organization(s) (Additional Insured):	Location(s) of Covered Operations:
ALL PERSONS OR ORGANIZATIONS AS REQUIRED BY WRITTEN CONTRACT WITH THE NAMED INSURED.	AS DESIGNATED IN WRITTEN CONTRACT WITH THE NAMED INSURED.

A. SECTION II – WHO IS AN INSURED is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
 2. The acts or omissions of those acting on your behalf;
- in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

A person's or organization's status as an additional insured under this endorsement ends when your operations for that additional insured are completed.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

Additional Insured Contractual Liability

"Bodily injury" or "property damage" for which the "additional insured(s)" are obligated to pay damages by reason of the assumption of liability in a contract or agreement.

Finished Operations at Work

"Bodily Injury" or "property damage" occurring after:

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

Negligence of Additional Insured

"Bodily injury" or "property damage" directly caused by or resulting from the negligence of the "additional insured(s)".

C. SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, 4. Other Insurance is amended and the following added:

The insurance afforded by this Coverage Part for the "additional insured" shown in the Schedule is primary insurance and we will not seek contribution from any other insurance available to that "additional insured".

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

Client#: 91100

FARRCONS

ACORD™ CERTIFICATE OF LIABILITY INSURANCEDATE: 03/08/11
03/08/11

PRODUCER

Commercial Lines
Wells Fargo Ins Svcs USA, Inc.
604 W. Moana Lane
Reno, NV 89509

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

Farr Construction Corp
525 Spice Island Dr Unit F
Sparks, NV 89431

INSURERS AFFORDING COVERAGE

INSURER A: Companion Property & Casualty Ins Co

INSURER B:

INSURER C:

INSURER D:

INSURER E:

NAIC #

12157

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 ADDR1 LTR	INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EXPIRATION DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
		GENERAL LIABILITY COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input type="checkbox"/> OCCUR				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (EA accident) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
		GEN'L AGGREGATE LIMIT APPLIES PER: POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				
		AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS				COMBINED SINGLE LIMIT \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
		EXCESS/UMBRELLA LIABILITY OCCUR <input type="checkbox"/> CLAIMS MADE				EACH OCCURRENCE \$ AGGREGATE \$
		DEDUCTIBLE RETENTION \$				
A		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	WNB000101000	10/08/10	10/08/11	WC STATU-TORY LIMITS <input checked="" type="checkbox"/> OTH-ER E.L. - EACH ACCIDENT \$1,000,000 E.L. - DISEASE - EA EMPLOYEE \$1,000,000 E.L. - DISEASE - POLICY LIMIT \$1,000,000
		OTHER				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

RE: Truckee Meadows Water Reclamation Facility. Evidence of Worker's

Compensation coverage to include a waiver of subrogation endorsement naming the below holder, attached.

CERTIFICATE HOLDER

Truckee Meadows Water Authority,
Its officers, employees and
immune contractors
PO Box 30013
Reno, NV 89520

CANCELLATION Ten Day Notice for Non-Payment of Premium

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
AUTHORIZED REPRESENTATIVE
Anne McCall

ACORD 25 (2001/08) 1 of 2

#S1173860/M1171221

FARRCONS

L8M

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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.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 00 03 13

Effective April 1, 1984

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

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.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

Truckee Meadows Water Authority,
Its Officers, Employees and Immune Contractors
P. O. Box 30073
Reno, NV 89520

RE: The insurance company waives
all right of recovery by way of
subrogation against TMWA, its
officers, employees and immune
contractors in connection with damage
covered by any policy.

Endorsement Effective 3/7/11
Insured Farr Construction Corporation
Insurance Company Companion Commercial Insurance Company

Policy No. WNB-0001010-00

Endorsement No. 1

WC 00 03 13

1983 National Council on Compensation Insurance