



# Purchase Order

PO Accounting Date: 10/17/2014

THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # **PO-001121**

Delivery must be made within doors of specified destination.

B I L L T O


Truckee Meadows Water Authority  
Accounts Payable  
PO Box 30013  
Reno NV 89520-3013

V E N D O R

Layfield USA Corporation  
2500 Sweetwater Springs Blvd #110  
Spring Valley CA 91978

S H I P T O

Truckee Meadows Water Authority  
1355 Capital Blvd  
Reno NV 89502

Requester Contact Name		Requester Contact Phone Number		Vendor Number		
				000904		
Date Ordered	Date Requested	Freight Method/Terms				
10/17/2014	3/31/2015					
Line #	Description/Part No.	Qty	UOM	Unit Price	Discount Amount	Extended Price
1	Highland Reservoir Cover and Liner - public bid PWP#WA-2014-306 - awarded to lowest responsive and responsible bidder (PWP - 4 bidders) 14-0003 - 1-7051-30-3010 PWP Construction Projects	1924500.00	usd	1.00		\$1,924,500.00
 <b>Mark Foree</b> <b>General Manager</b>						

Truckee Meadows Water Authority's Terms and Conditions shall govern this and all related transactions, review them at [http://tmwa.com/docs/po\\_terms\\_and\\_conditions.doc](http://tmwa.com/docs/po_terms_and_conditions.doc)

This Purchase Order number must be indicated on all invoices, cartons and packing slips.

**PO Total** **\$1,924,500.00**

**AGREEMENT FOR CONSTRUCTION**  
**Highland Reservoir Cover and Liner Replacement Project**  
TMWA Project No.: 14-0003  
Public Works Project Number: WA-2014-306

THIS AGREEMENT FOR CONSTRUCTION (the "Agreement"), made and entered into this 17<sup>th</sup> day of October, 2014, by and between **Layfield USA Corporation, 2500 Sweetwater Springs Boulevard, Suite 110, Spring Valley, California**, a general contractor licensed by the State of Nevada (Nevada Contractor's License No. 73418) (hereinafter referred to as "Contractor"), and Truckee Meadows Water Authority, P.O. Box 30013, Reno Nevada 89520-3013 (hereinafter referred to as "Owner").

RECITALS

**WHEREAS**, Owner intends to construct the Project and is engaging Contractor to perform certain labor, supervision and services and to provide certain equipment, goods and materials for the Project as described herein.

**WHEREAS**, Owner has engaged Contractor based on Contractor's representations that it (i) is experienced in the type of work for which it is being engaged; (ii) is duly licensed and qualified in the State of Nevada to perform the type of work for which it is being engaged; (iii) is qualified, willing and able to perform the work for the Project; and (iv) has the expertise and capability to perform the work which will meet Owner's objectives and which will comply with all applicable laws and ordinances.

**WHEREAS**, Contractor acknowledges it has reviewed and familiarized itself with this Agreement, including the documents enumerated in Article 1, and agrees to be bound by the terms and conditions contained therein.

NOW, THEREFORE, for good and valuable consideration, receipt of which is acknowledged, TMWA and the Contractor agree as follows:

1. **CONTRACT DOCUMENTS.** The "Contract Documents" consist solely of the Bidding Documents, Bonds, this Agreement, the General Conditions, Supplementary Conditions, Technical Specifications, Addenda issued prior to execution, Amendments issued after execution, Drawings entitled Improvement Plans for Highland Reservoir Floating Cover & Liner Replacement prepared by Hilts Consulting Group, Inc., and any other documents listed below:

None.

These documents form the entire contract and are as fully a part of the Agreement as if attached to this Agreement or repeated herein. Contractor represents and agrees it has carefully examined and understands this Agreement and the Contract Documents.

2. **SCOPE OF WORK.** The Contractor shall furnish all work, labor, services, supplies, materials, equipment, tools, transportation, supervision, appliances, and appurtenances required for the prompt and efficient completion of the project described as the removal of the existing floating cover system and gravity drain system. Installation of new cover and liner system and all appurtenances related to new cover and liner; more specifically detailed in the attached "Description of Work," ("Project") as described in the Contract Documents and in accordance with the contract provisions, Plans, and Specifications, together with all work incidental or reasonably inferable which is necessary to produce the results intended by the Contract Documents (collectively, the "Work"). Contractor shall be responsible for the supervision and coordination of the Work, including the construction means, methods, techniques, sequences and procedures utilized, unless the Contract Documents specifically provide otherwise. The Contractor represents and warrants that it has fully 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 is in no way relying upon any opinions or representations of the Owner, or any of

their respective officers, agents, servants, or employees with respect thereto.

3. **TIME OF COMPLETION.** 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

3.1 **Commencement of Work.** Contractor shall promptly commence and diligently prosecute the Work to be performed under this Agreement on the date fixed in a Notice to Proceed and shall perform the Work diligently, expeditiously and with adequate resources so as to complete the Work on time.

3.2 **Completion of Work.** Contractor shall achieve 100 percent completion by **one hundred thirty-eight (138) calendar days from the date of the Notice to Proceed.** Contractor shall reschedule or resequence the Work, to the extent possible, to avoid or minimize any delay to the contract time. Contractor agrees it included adequate costs in the Contract Sum to provide sufficient levels of labor and equipment (including overtime if required) to insure that the specified dates are met. The contract time set forth herein assumes ten (10) weather delay days will occur during construction of the Project, and the Contract time will not be extended unless weather delay days exceed the days specified above. Should the Contractor fail to complete the Work in the time agreed upon, the Contractor will be subject to liquidated damages as provided herein.

3.3 **Liquidated Damages.** Owner and Contractor recognize time is of the essence and 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 **One Thousand Four Hundred (\$1,400.00) Dollars** 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. If TMWA terminates the Contractor for default, the resulting damage will consist of liquidated damages until such reasonable time as may be required for final completion of the work together with any increased cost occasioned by TMWA in completing the Work.

3.4 **Construction Schedule.** Contractor shall, not less than ten (10) calendar days after execution of this Agreement by TMWA, prepare and submit a proposed Construction Schedule to TMWA for review and acceptance in accordance with the General Conditions.

4. **CONTRACT SUM.**

4.1 **Construction Contract Price.** 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: **One Million Nine Hundred Twenty Four Thousand Five Hundred Dollars (\$1,924,500)** (the "Contract Sum"). The amount set forth above includes the aggregate amount of all allowances and unit price items to be furnished or installed.

5. **PAYMENTS.**

5.1 **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.

5.2 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 Representative 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 obligations in the Contract Documents have 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 and no prevailing wage disputes are under investigation by TMWA or pending before 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.

6. PREVAILING WAGE.

Contractor will pay, and will require all subcontractors to pay, unless otherwise exempt there 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 Document provisions for this Work. Pursuant to NRS 338.060, Contractor shall forfeit to the Owner, as a penalty, not less than \$20 or 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 Agreement, 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 certified in LCP Tracker and open to inspection by Owner, its officers and agents and at all reasonable hours. Contractor shall inquire, and shall require each subcontractor to inquire, of each worker employed in connection with the public work whether the worker wishes to voluntarily specify his or her gender and ethnicity, and shall record and maintain such responses in accordance with NRS 338.070.

7. 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 Agreement 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. Contractor shall provide Owner insurance certificates no later than 10 days after the date of the Notice of Award, and Contractor's failure to timely provide insurance certificates shall not result

in any extensions to the contract time.

**8. PERFORMANCE AND PAYMENT BONDS.**

The Contractor shall, prior to the execution of the Agreement, furnish two bonds on the forms bound herein approved by the Owner, one in the amount of One Hundred Percent (100%) of the Contract Sum, 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. Contractor shall provide Owner contract bonds no later than 10 days after the date of the Notice of Award, and Contractor's failure to timely provide bonds shall not result in any extensions to the contract time.

**9. NONDISCRIMINATION.**

In accordance with NRS 338.125, in connection with the performance of work under this Agreement, 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 Agreement. Further, Contractor agrees to insert this nondiscrimination provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

**10. PREFERENCES.**

10.1 Veteran's Preference. Contractor agrees to give preference as provided in NRS 338.130. If this provision is not complied with, the Agreement shall be void, and any failure or refusal to comply with this provision shall render the Agreement void.

10.2 Bidder Preference. To the extent Contractor has sought and qualified for a bidding preference and this project has a value of over \$250,000 pursuant to Nevada Revised Statutes Chapter 338, Contractor acknowledges and agrees that the following requirements shall be adhered to, documented and maintained for the duration of the Project, collectively, and not on any specific day:

a. At least 50 percent of the workers employed on the Project (including subcontractors) must hold a valid driver's license or identification card issued by the Nevada Department of Motor Vehicles;

b. All vehicles used primarily for the public work will be (a) registered and (where applicable) partially apportioned to Nevada; or (b) registered in Nevada.

c. If applying to receive a preference in bidding pursuant to NRS 338.1727, at least 50 percent of the design professionals who work on the Project (including sub-contractors) hold a valid driver's license or identification card issued by the Nevada Department of Motor Vehicles; and

d. The Contractor and any subcontractor engaged on the public work shall maintain and make available for inspection within Nevada all payroll records related to the Project.

Contractor recognizes and accepts that failure to comply with any requirements herein shall entitle Owner to a penalty in the amount set by statute. In addition, the Contractor recognizes and accepts that failure to comply with any requirements herein may result in loss of certification for a preference in bidding for 5 years and/or ability to bid on any contracts for public works for one year pursuant to NRS Chapter 338.

**11. WARRANTY.**

In addition to any other warranties provided by law or in the General conditions, Contractor warrants the Work under this Agreement 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.

**12. INDEMNIFICATION/HOLD HARMLESS.**

Owner has established specific indemnification requirements which are fully set forth in the General Conditions, which Contractor has examined, understands and agrees to perform.

**13. MISCELLANEOUS.**

13.1 Termination. In addition to other provisions set forth in the Contract Documents, 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 to the extent otherwise due under this Agreement.

13.2 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.

13.3 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.

13.4 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.

13.5 Attorneys' Fees. If either party hereto fails to perform any of its obligations under this Agreement or if any dispute arises between the parties hereto concerning the meaning or interpretation of any provision of this Agreement, then the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights hereunder, including, without limitation, court costs and reasonable attorneys' fees and disbursements. Any such attorneys' fees and other expenses incurred by either party in enforcing a judgment in its favor under this Agreement shall be recoverable separately from and in addition to any other amount included in such judgment, and such attorneys' fees obligation is intended to be severable from the other provisions of this Agreement and to survive and not be merged into any such judgment.

13.6 Modifications. This Agreement cannot be changed orally, and no executory agreement shall be effective to waive, change, modify or discharge it in whole or in part unless such executory agreement is in writing and is signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought

13.7 Entire Agreement. This Agreement, including the exhibits and schedules hereto, contains the entire agreement between the parties hereto pertaining to the subject matter hereof and fully supersedes all prior written or oral agreements and understandings between the parties pertaining to such subject matter.

13.8 Severability. If any provision of this Agreement is held illegal or unenforceable in a judicial proceeding, such provision shall be severed and shall be inoperative, and, provided that the fundamental terms and conditions of this Agreement (including, without limitation, remain legal and enforceable, the remainder of this Agreement shall remain operative and binding on the Parties.

IN WITNESS WHEREOF, Owner and Contractor hereby enter into this agreement as of the date and year first written above.

“Owner”  
TRUCKEE MEADOWS WATER AUTHORITY, a joint powers authority  
By: Mark Force Date: 10/17/14  
General Manager

STATE OF CALIFORNIA )  
County of SAN DIEGO ) ss

SVEN FALK states under penalty of perjury that he/she is the Contractor, or authorized agent of the Contractor, by whom the aforesaid described Work is to be performed; that he/she has read the foregoing Contract and understands and agrees to the terms, conditions, and requirements thereof.

**CONTRACTOR:**

By: SVEN FALK  
Title: CONSTRUCTION MANAGER  
Firm: Layfield USA Corporation  
Address: 2500 Sweetwater Springs Blvd #110  
City/State & Zip: Spring Valley, CA 91978  
Telephone: 619-562-1200  
Fax: 619-562-1150  
E-mail: sandiego@layfieldgroup.com

**ATTEST:**

On this 10<sup>th</sup> day of OCT, in the year 20 14, before me, PATRICIA A. HARMON /Notary Public, personally appeared or 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 (she) executed it.

WITNESS my hand and official seal.

[Signature]  
(Signature Of Contractor)

[Signature]  
Notary's Signature

DATED this 10 day of OCT, 2014.

L.S.



## ATTACHMENT

### Project Description Highland Reservoir Cover and Liner Replacement

#### Location/Facility Function

This reservoir project site is located in Northwest Reno at the north end of Washington Street and close to the Rancho San Raphael Park. The Highland Reservoir, a 20 million gallon treated water reservoir, is an integral component of TMWA's water distribution system and supplies treated water for peaking, firefighting, emergencies, and pressure equalization purposes to TMWA customers.

#### Existing Reservoir

The existing reservoir is a floating cover type with a mechanically tensioned system constructed with a reinforced polypropylene geomembrane. The mechanically tensioned system includes tension towers regularly spaced around the perimeter of the reservoir at the top of the slope. The existing floating cover surface water removal system is comprised of drains in the floating cover which are connected to hoses suspended in the reservoir potable water and drain to underdrain pipes in the reservoir floor. The existing liner is a high density polyethylene (HDPE) material. Within the reservoir floor below the liner system is an underdrain of perforated PVC pipes and drain rock material. The underdrain system collects liner leakage and conveys leakage water outside of the reservoir perimeter and ultimately to the Truckee River via a dedicated drain pipe on Washington Street.

The existing cover and liner system is being replaced since it has outlived its useful life.

#### Project Scope

In accordance with project plans, specifications and contract documents, the selected contractor will provide material, labor and other necessary resources to complete the following:

- Removal of the existing floating cover system.
- Removal of the existing "floating cover gravity drain system".
- Modifications to the existing liner system to allow the existing liner system to remain in place.
- Modifications to the existing underdrain system piping as the gravity drain system is removed.
- Installation of a new composite liner system consisting of geomembrane liner, composite drainage course, and liner leakage collection trough connected to the existing underdrain system.
- Installation of a new weight- tensioned geomembrane floating cover constructed with 45-mil scrim reinforced CSPE geomembrane, pump primary rainwater removal system, combination access/inflation hatches, and vacuum/air vents. The new cover is to be anchored at the top of the slope utilizing the existing perimeter concrete anchor curb.



# PERFORMANCE BOND

Bond VS6159713

**WHEREAS**, Contractor has by written agreement dated October 3, 20 14 entered into a contract with Truckee Meadows Water Authority for **PWP Bid #WA-2014-306** and titled "**Highland Reservoir Cover and Liner Replacement Project**" 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 Agreement.

**NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS**, that the undersigned, as Principal, hereinafter called Contractor, and THE GUARANTEE COMPANY OF NORTH AMERICA USA, 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 the Truckee Meadows Water Authority, a joint powers authority created pursuant to NRS Chapter 277, for the Sum of ONE MILLION, NINE HUNDRED TWENTY-FOUR \*\* Dollars (\$1,924,500.00), to be paid to said Truckee Meadows Water Authority for which payment, well and truly to be made, we bind ourselves, our 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.

\*\*THOUSAND, FIVE HUNDRED.....XX/00

**THE CONDITION OF THIS OBLIGATION IS SUCH** that, if Contractor shall fail to promptly and faithfully perform said Agreement, or Contractor shall be, and is declared by Truckee Meadows Water Authority to be in default under the Agreement, 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 Agreement in accordance with its terms and conditions; or
- 2) Obtain a bid or bids for completing the Agreement 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 Agreement 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.

If Contractor shall fully, promptly and faithfully perform all Contractor's obligations under the Agreement, 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.

## PERFORMANCE BOND

Continued for PWP BID #WA-2014-306 and titled "Highland Reservoir Cover and Liner Replacement Project "

**BY:** \_\_\_\_\_

(signature of Principle)

**TITLE:** \_\_\_\_\_

L.S.

**FIRM:** Layfield USA Corporation

**Address:** 2500 Sweetwater Springs Blvd., #110

**City, State, Zip:** Spring Valley, CA 91978

**Phone:** 619-562-1200

**Printed Principal's Name:** \_\_\_\_\_

**Attest by:** \_\_\_\_\_

(signature of Notary)

Subscribed and Sworn before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Notary public for the State of \_\_\_\_\_

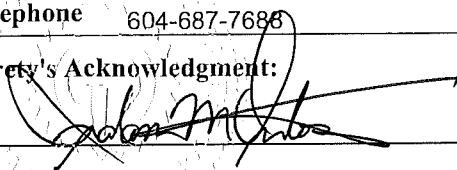
**CLAIMS UNDER THIS BOND  
MAY BE ADDRESSED TO:**

**Agent Information**

<b>Name of Surety</b>	<b>Name of Licensed Agent</b>
The Guarantee Company of North America USA	Network Bonding & Insurance Services Inc
<b>Address</b> One Towne Square, Suite 1470	<b>Address</b> 802 - 333 Terminal Ave
<b>City</b> Southfield, MI	<b>City</b> Vancouver, BC
<b>State/Zip Code</b> 48076	<b>State/Zip Code</b> V6A 4C1
<b>Name</b> Graham McIntosh	<b>Agent's Name</b> Ron Dekanich
<b>Title</b> Attorney-in-fact	<b>Agent's Title</b> President
<b>Telephone</b> 604-687-7688	<b>Agent's Telephone</b> 604-294-1236

**Surety's Acknowledgment:**

**By:** \_\_\_\_\_



**Agent's Acknowledgment:**

**By:** \_\_\_\_\_

**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.



POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS: That THE GUARANTEE COMPANY OF NORTH AMERICA USA, a corporation organized and existing under the laws of the State of Michigan, having its principal office in Southfield, Michigan, does hereby constitute and appoint

Alex Campbell, Graham McIntosh, Irene Leblanc, Bob Gallimore, Theresa Hedberg, Dina Amaro-Elias, Heather Christie, Richard Longland, Paul Hollingworth, Yves Boilard, Benoit Phénix, Nathalie Sanscartier, Cheryl Best-Pope, Dan Fletcher, R. F. Smith, Michel Bourque, Gavin Grennan, Jesse Carson, Rosellina Russo, Max Fratarcangeli, François Forget, Steve Rees, Nelson de Quintal, Adrian Vanelli, Pamela Martin, Sean Deakin, Dana Hammond, Chelsea Fish, Richard Gray, Greg Forsythe

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise.

The execution of such instrument(s) in pursuance of these presents, shall be as binding upon THE GUARANTEE COMPANY OF NORTH AMERICA USA as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at the principal office.

The Power of Attorney is executed and may be certified so, and may be revoked, pursuant to and by authority of Article IX, Section 9.03 of the By-Laws adopted by the Board of Directors of THE GUARANTEE COMPANY OF NORTH AMERICA USA at a meeting held on the 31<sup>st</sup> day of December, 2003. The President, or any Vice President, acting with any Secretary or Assistant Secretary, shall have power and authority:

- 1. To appoint Attorney(s)-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof; and
- 2. To revoke, at any time, any such Attorney-in-fact and revoke the authority given, except as provided below
- 3. In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.
- 4. In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner – Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of the Company adopted at a meeting duly called and held on the 6th day of December 2011, of which the following is a true excerpt:

RESOLVED that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, contracts of indemnity and other writings obligatory in the nature thereof, and such signature and seal when so used shall have the same force and effect as though manually affixed.



IN WITNESS WHEREOF, THE GUARANTEE COMPANY OF NORTH AMERICA USA has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 23rd day of February, 2012.

THE GUARANTEE COMPANY OF NORTH AMERICA USA

*[Signature of Stephen C. Ruschak]*

Stephen C. Ruschak, President & Chief Operating Officer

*[Signature of Randall Musselman]*  
Randall Musselman, Secretary

STATE OF MICHIGAN  
County of Oakland

On this 23rd day of February, 2012 before me came the individuals who executed the preceding instrument, to me personally known, and being by me duly sworn, said that each is the herein described and authorized officer of The Guarantee Company of North America USA; that the seal affixed to said instrument is the Corporate Seal of said Company; that the Corporate Seal and each signature were duly affixed by order of the Board of Directors of



Cynthia A. Takai  
Notary Public, State of Michigan  
County of Oakland  
My Commission Expires February 27, 2018  
Acting in Oakland County

IN WITNESS WHEREOF, I have hereunto set my hand at The Guarantee Company of North America USA offices the day and year above written.

*[Signature of Cynthia A. Takai]*

I, Randall Musselman, Secretary of THE GUARANTEE COMPANY OF NORTH AMERICA USA, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney executed by THE GUARANTEE COMPANY OF NORTH AMERICA USA, which is still in full force and effect.



IN WITNESS WHEREOF, I have thereunto set my hand and attached the seal of said Company this 8th day of October, 2014

*[Signature of Randall Musselman]*  
Randall Musselman, Secretary



The Guarantee Company of North America USA  
Southfield, Michigan

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS: That THE GUARANTEE COMPANY OF NORTH AMERICA USA, a corporation organized and existing under the laws of the State of Michigan, having its principal office in Southfield, Michigan, does hereby constitute and appoint

Alex Campbell, Graham McIntosh, Irene Leblanc, Bob Gallimore, Theresa Hedberg, Dina Amaro-Elias, Heather Christie, Richard Longland, Paul Hollingworth, Yves Boillard, Benoit Phénix, Nathalie Sanscartier, Cheryl Best-Pope, Dan Fletcher, R. F. Smith, Michel Bourque, Gavin Grennan, Jesse Carson, Rosellina Russo, Max Fratarcangeli, François Forget, Steve Rees, Nelson de Quintal, Adrian Vanelli, Pamela Martin, Sean Deakin, Dana Hammond, Chelsea Fish, Richard Gray, Greg Forsythe

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise.

The execution of such instrument(s) in pursuance of these presents, shall be as binding upon THE GUARANTEE COMPANY OF NORTH AMERICA USA as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at the principal office.

The Power of Attorney is executed and may be certified so, and may be revoked, pursuant to and by authority of Article IX, Section 9.03 of the By-Laws adopted by the Board of Directors of THE GUARANTEE COMPANY OF NORTH AMERICA USA at a meeting held on the 31<sup>st</sup> day of December, 2003. The President, or any Vice President, acting with any Secretary or Assistant Secretary, shall have power and authority:

- 1. To appoint Attorney(s)-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof; and
2. To revoke, at any time, any such Attorney-in-fact and revoke the authority given, except as provided below
3. In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.
4. In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner - Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of the Company adopted at a meeting duly called and held on the 6th day of December 2011, of which the following is a true excerpt:

RESOLVED that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, contracts of indemnity and other writings obligatory in the nature thereof, and such signature and seal when so used shall have the same force and effect as though manually affixed.



IN WITNESS WHEREOF, THE GUARANTEE COMPANY OF NORTH AMERICA USA has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 23rd day of February, 2012.

THE GUARANTEE COMPANY OF NORTH AMERICA USA

[Signature of Stephen C. Ruschak]

Stephen C. Ruschak, President & Chief Operating Officer

[Signature of Randall Musselman]

Randall Musselman, Secretary

STATE OF MICHIGAN  
County of Oakland

On this 23rd day of February, 2012 before me came the individuals who executed the preceding instrument, to me personally known, and being by me duly sworn, said that each is the herein described and authorized officer of The Guarantee Company of North America USA; that the seal affixed to said instrument is the Corporate Seal of said Company; that the Corporate Seal and each signature were duly affixed by order of the Board of Directors of



Cynthia A. Takai  
Notary Public, State of Michigan  
County of Oakland  
My Commission Expires February 27, 2018  
Acting in Oakland County

IN WITNESS WHEREOF, I have hereunto set my hand at The Guarantee Company of North America USA offices the day and year above written.

[Signature of Cynthia A. Takai]

I, Randall Musselman, Secretary of THE GUARANTEE COMPANY OF NORTH AMERICA USA, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney executed by THE GUARANTEE COMPANY OF NORTH AMERICA USA, which is still in full force and effect.



IN WITNESS WHEREOF, I have thereunto set my hand and attached the seal of said Company this 8th day of October, 2014

[Signature of Randall Musselman]

Randall Musselman, Secretary

# LABOR AND MATERIAL PAYMENT BOND

Bond VS6159713

WHEREAS, Contractor has by written agreement dated October 3, 2014 entered into a contract with Truckee Meadows Water Authority for PWP Bid #WA-2014-306 and titled "**Highland Reservoir Cover and Liner Replacement Project**" 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 Agreement.

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the undersigned, as Principal, hereinafter called Contractor, and THE GUARANTEE COMPANY OF NORTH \*\*, 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 the Truckee Meadows Water Authority, a joint powers authority created pursuant to NRS Chapter 277, for the Sum of ONE MILLION, NINE HUNDRED TWENTY-FOUR \*\*\* Dollars (\$ 1,924,500.00), to be paid to said Truckee Meadows Water Authority for which payment, well and truly to be made, we bind ourselves, our 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.

\*\*AMERICA USA

\*\*\*THOUSAND, FIVE HUNDRED.....XX/00

THE CONDITION OF THIS OBLIGATION IS SUCH that, if Contractor, its heirs, executors, administrators, successors or assigns shall fail to pay for any materials, provision, supplies, implements or machinery used in, upon, for, or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, together with interest at the rate of twelve percent per annum, or for amounts due under the unemployment compensation law with respect to such work or labor, as required by the provisions of NRS 612, and Surety 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 not to exceed the sum specified in this Bond, 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 PWP Bid #WA-2014-306 and titled "Highland Reservoir Cover and Liner Replacement Project"

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:** \_\_\_\_\_ L.S.

**FIRM:** Layfield USA Corporation

**Address:** 2500 Sweetwater Springs Blvd., #110

**City, State, Zip:** Spring Valley, CA 91978

**Phone:** 619-562-1200

**Printed Principal's Name:** \_\_\_\_\_

**Attest by:** \_\_\_\_\_ (signature of Notary)

Subscribed and Sworn before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Notary public for the State of \_\_\_\_\_

**CLAIMS UNDER THIS BOND  
MAY BE ADDRESSED TO:**

**Licensed Agent Information**

**Name of Surety**

The Guarantee Company of North America USA

**Name of Licensed Agent**

Network Bonding & Insurance Services Inc

**Address** One Towne Square, Suite 1470

**Address** Suite 802 - 333 Terminal Ave

**City** Southfield, MI

**City** Vancouver, BC

**State/Zip Code** 48076

**State/Zip Code** V6A 4C1

**Name** Graham McIntosh

**Agent's Name** Ron Dekanich

**Title** Attorney-in-fact

**Agent's Title** President

**Telephone** 604-687-7688

**Agent's Telephone** 604-294-1236

**Surety's Acknowledgment:**

**By:** 

**Licensed Agent's Acknowledgment:**

**By:** \_\_\_\_\_

**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.



# CERTIFICATE OF LIABILITY INSURANCE

11/1/2014

DATE (MM/DD/YYYY)

10/8/2014

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

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Lockton Companies 444 W. 47th Street, Suite 900 Kansas City MO 64112-1906 (816) 960-9000	<b>CONTACT NAME:</b> PHONE (A/C, No, Ext): _____ FAX (A/C, No): _____ E-MAIL ADDRESS: _____	
	<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> 1372193 LAYFIELD USA CORPORATION 2500 SWEETWATER SPRINGS BLVD. SUITE 110 SPRING VALLEY CA 91978	<b>INSURER A:</b> AIG Specialty Insurance Company	
	<b>INSURER B:</b> Sentinel Insurance Company, Ltd.	
	<b>INSURER C:</b> Property and Casualty Ins Co of Hartford	
	<b>INSURER D:</b> Zurich American Insurance Company	
	<b>INSURER E:</b>	
	<b>INSURER F:</b>	

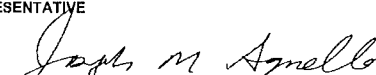
**COVERAGES**      **CERTIFICATE NUMBER:** 13151385      **REVISION NUMBER:** XXXXXXXX

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> POLLUTION-\$1M <input checked="" type="checkbox"/> DED-\$50,000 GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y	Y	EG16396397	11/1/2013	11/1/2014	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 25,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
B	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"/> COMP/COLL DED-\$1,000	Y	Y	37UENAQ6246	11/1/2013	11/1/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX \$ XXXXXXXX
A	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED _____ RETENTION \$ _____	Y	N	EGU16396438	11/1/2013	11/1/2014	EACH OCCURRENCE \$ 9,000,000 AGGREGATE \$ 9,000,000 \$ XXXXXXXX
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	Y	37WEQT7080	11/1/2013	11/1/2014	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	CONTRACTORS EQUIPMENT	N	N	CPP6478606	11/1/2013	11/1/2014	LIMIT: \$346,000 DEDUCTIBLE: \$5,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
 RE: HIGHLAND RESERVOIR COVER AND LINER REPLACEMENT - TMWA PROJECT NO.: 14-003; PUBLIC WORKS PROJECT NUMBER: WA-2014-306.  
 \*\*SEE ATTACHED FOR MORE INFORMATION\*\*

**CERTIFICATE HOLDER****CANCELLATION** See Attachments

<b>13151385</b> Truckee Meadows Water Authority PO Box 30013 Reno NV 89520-3013	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
--	---

© 1988-2014 ACORD CORPORATION. All rights reserved.

TRUCKEE MEADOWS WATER AUTHORITY, ITS OFFICERS, EMPLOYEES AND IMMUNE CONTRACTORS ARE ADDED AS AN ADDITIONAL INSURED WITH RESPECT TO THE GENERAL LIABILITY COVERAGE, WHICH IS PRIMARY COVERAGE TO THE ADDITIONAL INSURED AND OTHER AVAILABLE INSURANCE WILL BE NON-CONTRIBUTORY AS REQUIRED BY CONTRACT. SUBROGATION RIGHTS ARE WAIVED IN FAVOR OF THE CERTHOLDER AS RESPECT TO WORKERS' COMPENSATION AS REQUIRED BY CONTRACT AND WHERE ALLOWED BY LAW. ALL EVIDENCED PROVISIONS ARE SUBJECT TO THE TERMS AND CONDITIONS OF THE POLICY. FOR CANCELLATION FOR ANY REASON OTHER THAN NONPAYMENT OF PREMIUM, THE INSURER(S) WILL SEND 30 DAYS NOTICE OF CANCELLATION TO THE CERTIFICATE HOLDER.



**ENDORSEMENT NO. 4**

This endorsement, effective 12:01 AM, November 1, 2013

Forms a part of Policy No: EG 16396397

Issued to: LAYFIELD ENVIRONMENTAL SYSTEMS CORPORATION

By: AIG SPECIALTY INSURANCE COMPANY

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

**ADDITIONAL INSURED PRIMARY AND NON-CONTRIBUTORY ENDORSEMENT -  
OWNERS, LESSEES OR CONTRACTORS - YOUR WORK**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY AND  
POLLUTION LEGAL LIABILITY POLICY**

**SCHEDULE**

**Name of Additional Insured Person(s) or Organization(s):**

Blanket where required by written contract or agreement

**Location(s) of Covered Operation(s):**

Blanket where required by written contract or agreement

- I. Solely as respects **COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY, and COVERAGE E - ADDITIONAL POLLUTION LEGAL LIABILITY, SECTION II - WHO IS AN INSURED** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for **bodily injury, property damage, personal and advertising injury, or environmental damage** arising out of **your work** for the additional insured(s) by or for you at the location(s) designated above.
- II. As respects the coverage afforded the additional insured(s) scheduled above, this insurance is primary and non-contributory, and our obligations are not affected by any other insurance carried by such additional insured(s) whether primary, excess, contingent, or on any other basis.

All other terms, conditions and exclusions shall remain the same.

  
\_\_\_\_\_  
**AUTHORIZED REPRESENTATIVE**  
or countersignature (in states where applicable)

107427 (12/10)  
CI4835

PAGE 1 OF 1

**ENDORSEMENT NO. 17**

**This endorsement, effective 12:01 AM, November 1, 2013**

**Forms a part of Policy No: EG 16398397**

**Issued to: LAYFIELD ENVIRONMENTAL SYSTEMS CORPORATION**

**By: AIG SPECIALTY INSURANCE COMPANY**

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

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY  
AGAINST OTHERS TO US ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY AND  
POLLUTION LEGAL LIABILITY COVERAGE FORM**

It is hereby agreed as follows:

**SECTION IV - CONDITIONS, Paragraph 7. Transfer of Rights of Recovery Against Others to Us - Applicable to Coverages A, B, C and E is amended by the addition of the following at the end of such subparagraph:**

**We waive any right of recovery we may have against the person or organization shown in the Schedule below because of payments we make under Coverage A, B, C and E for injury or damage arising out of your ongoing operations or your work done under a contract with that person or organization and included in the products-completed operations hazard. This waiver applies only to the person or organization shown in the Schedule below.**

**SCHEDULE**

**Name of Person or Organization:**

Blanket where required by written contract or agreement

All other terms, conditions, and exclusions shall remain the same.

  
\_\_\_\_\_  
**AUTHORIZED REPRESENTATIVE**  
or countersignature (in states where applicable)

94283 (3/07)  
C13021

PAGE 1 OF 1

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## COMMERCIAL AUTOMOBILE BROAD FORM ENDORSEMENT

This endorsement modifies insurance provided under

the following: BUSINESS AUTO

COVERAGE FORM

To the extent that the provisions of this endorsement provide broader benefits to the "insured" than other provisions of the Coverage Form, the provisions of this endorsement apply.

### 1. BROAD FORM INSURED

#### A. Subsidiaries and Newly Acquired or Formed Organizations

The Named Insured shown in the Declarations is amended to include:

(1) Any legal business entity other than a partnership or joint venture, formed as a subsidiary in which you have an ownership interest of more than 50% on the effective date of the Coverage Form. However, the Named Insured does not include any subsidiary that is an "insured" under any other automobile policy or would be an "insured" under such a policy but for its termination or the exhaustion of its Limits of Insurance.

(2) Any organization that is acquired or formed by you and over which you maintain majority ownership. However, the Named Insured does not include any newly formed or acquired organization:

- (a) That is a partnership or joint venture,
  - (b) That is an "insured" under any other policy,
  - (c) That has exhausted its Limits of Insurance under any other policy,
- or
- (d) 180 days or more after its acquisition or formation by you, unless you have given us notice of the acquisition or formation.

Coverage does not apply to "bodily injury" or "property damage" that results from an "accident" that occurred before you formed or acquired the organization.

#### B. Paragraph A.1. WHO IS AN INSURED - of SECTION II - LIABILITY COVERAGE is amended to add:

d. Any "employee" of yours while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

#### C. Lessors as Insureds

Paragraph A.1. - WHO IS AN INSURED - of Section II - Liability Coverage is amended to add:

e. The lessor of a covered 'auto' while the 'auto' is leased to you under a written agreement if:

- (1) The agreement requires you to provide direct primary insurance for the lessor and
- (2) The "auto" is leased without a driver.

Such a leased "auto" will be considered a covered "auto" you own and not a covered "auto" you hire.

**D. Additional Insured if Required by Contract**

(1) Paragraph A.1. - WHO IS AN INSURED - of Section II - Liability Coverage is amended to add:

f. When you have agreed, in a written contract or written agreement, that a person or organization be added as an additional insured on your business auto policy, such person or organization is an "insured," but only to the extent such person or organization is liable for "bodily injury" or "property damage" caused by the conduct of an "insured" under paragraphs a. or b. of Who Is An Insured with regard to the ownership, maintenance or use of a covered "auto."

The insurance afforded to any such additional insured applies only if the "bodily injury" or "property damage" occurs:

- (1) During the policy period, and
- (2) Subsequent to the execution of such written contract, and
- (3) Prior to the expiration of the period of time that the written contract requires such insurance be provided to the additional insured.

**How Limits Apply**

(2) If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the most we will pay on behalf of such additional insured is the lesser of:

- (a) The limits of insurance specified in the written contract or written agreement; or
- (b) The Limits of Insurance shown in the Declarations.

Such amount shall be a part of and not in addition to Limits of Insurance shown in the Declarations and described in this Section.

**Additional Insureds Other Insurance**

(3) If we cover a claim or "suit" under this Coverage Part that may also be covered by other insurance available to an additional insured, such additional insured must submit such claim or "suit" to the other insurer for defense and indemnity.

However, this provision does not apply to the extent that you have agreed in a written contractor written agreement that this insurance is primary and noncontributory with the additional insured's own insurance.

**(4) Duties in The Event Of Accident, Claim, Suit or Loss**

If you have agreed in a written contract or written agreement that another person or organization be added as an additional insured on your policy, the additional insured shall be required to comply with the provisions in LOSS CONDITIONS 2. - DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS - OF SECTION IV - BUSINESS AUTO CONDITIONS, in the same manner as the Named Insured.

**E. Primary and Non-Contributory if Required by Contract**

Only with respect to insurance provided to an additional insured in 1.D. - Additional Insured If Required by Contract, the following provisions apply:

(3) Primary Insurance When Required By Contract

This insurance is primary if you have agreed in a written contract or written agreement that this insurance be primary. If other insurance is also primary, we will share with all that other insurance by the method described in Other Insurance 5.d.

(4) Primary And Non-Contributory To Other Insurance When Required By Contract

If you have agreed in a written contract or written agreement that this insurance is primary and non-contributory with the additional insured's own insurance, this insurance is primary and we will not seek contribution from that other insurance.

**Paragraphs (3) and (4) do not apply to other insurance to which the additional insured has been added as an additional insured.**

When this insurance is excess, we will have no duty to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit." If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of.

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, by the method described in Other Insurance 5.d.

**2. AUTOS RENTED BY EMPLOYEES**

Any "auto" hired or rented by your "employee" on your behalf and at your direction will be considered an "auto" you hire.

The OTHER INSURANCE Condition is amended by adding the following:

If an "employee's" personal insurance also applies on an excess basis to a covered "auto." hired or rented by your "employee" on your behalf and at your direction, this insurance will be primary to the "employee's" personal insurance.

**3. AMENDED FELLOW EMPLOYEE EXCLUSION**

EXCLUSION 5. - FELLOW EMPLOYEE - of SECTION II - LIABILITY COVERAGE does not apply if you have workers' compensation insurance in-force covering all of your "employees."

Coverage is excess over any other collectible insurance.

**4. HIRED AUTO PHYSICAL DAMAGE COVERAGE**

If hired "autos" are covered "autos" for Liability Coverage and if Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form for any "auto" you own, then the Physical Damage Coverages provided are extended to "autos" you hire or borrow, subject to the following limit.

The most we will pay for "loss" to any hired "auto" is:

- (1) \$100,000;
- (2) The actual cash value of the damaged or stolen property at the time of the "loss"; or
- (3) The cost of repairing or replacing the damaged or stolen property,

whichever is smallest, minus a deductible. The deductible will be equal to the largest deductible applicable to any owned "auto" for that Coverage. No deductible applies to "loss" caused by fire or lightning. Hired Auto Physical Damage coverage is excess over any other collectible insurance. Subject to the above limit, deductible and excess provisions, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.

We will also cover loss of use of the hired "auto" if it results from an "accident"; you are legally liable and the lessor incurs an actual financial loss, subject to a maximum of \$1000 per "accident."

This extension of coverage does not apply to any "auto" you hire or borrow from any of your "employees," partners (if you are a partnership), members (if you are a limited liability company), or members of their households.

**5. PHYSICAL DAMAGE - ADDITIONAL TEMPORARY TRANSPORTATION EXPENSE COVERAGE**

Paragraph A.4.a. of SECTION III - PHYSICAL DAMAGE COVERAGE is amended to provide a limit of \$50 per day and a maximum limit of \$1,000.

**6. LOAN/LEASE GAP COVERAGE**

Under SECTION III - PHYSICAL DAMAGE COVERAGE, in the event of a total "loss" to a covered "auto," we will pay your additional legal obligation for any difference between the actual cash value of the "auto" at the time of the "loss" and the "outstanding balance" of the loan/lease.

"Outstanding balance" means the amount you owe on the loan/lease at the time of "loss" less any amounts representing taxes; overdue payments; penalties, interest or charges resulting from overdue payments; additional mileage charges; excess wear and tear charges; lease termination fees; security deposits not returned by the lessor; costs for extended warranties, credit life insurance, health, accident or disability insurance purchased with the loan or lease; and carry-over balances from previous loans or leases.

**7. AIRBAG COVERAGE**

Under Paragraph B. EXCLUSIONS - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

The exclusion relating to mechanical breakdown does not apply to the accidental discharge of an airbag.

**8. ELECTRONIC EQUIPMENT - BROADENED COVERAGE**

a. The exceptions to Paragraphs B.4 -EXCLUSIONS - of SECTION II - PHYSICAL DAMAGE COVERAGE are replaced by the following:

Exclusions 4.c. and 4.d. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss," is:

- (1) Permanently installed in or upon the covered "auto";
- (2) Removable from a housing unit which is permanently installed in or upon the covered "auto";
  - (a) An integral part of the same unit housing any electronic equipment described in Paragraphs (1) and (2) above; or
- (4) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

b. Section III - Version CA 00 01 03 10 of the Business Auto Coverage Form, Physical Damage Coverage, Limit of Insurance, Paragraph C.2 and Version CA 00 01 10 01 of the Business Auto Coverage Form, Physical Damage Coverage, Limit of Insurance, Paragraph C are each amended to add the following:

\$1,500 is the most we will pay for "loss" in any one "accident" to all electronic equipment (other than equipment designed solely for the reproduction of sound, and accessories used with such equipment) that reproduces, receives or transmits audio, visual or data signals which, at the time of "loss," is:

- (1) Permanently installed in or upon the covered "auto" in a housing, opening, or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
- (2) Removable from a permanently installed housing unit as described in Paragraph 2.a. above or is an integral part of that equipment; or
- (3) An integral part of such equipment.

c. For each covered "auto," should loss be limited to electronic equipment only, our obligation to pay for, repair return or replace damaged or stolen electronic equipment will be reduced by the applicable deductible shown in the Declarations, or \$250, whichever deductible is less.

**9. EXTRA EXPENSE BROADENED - COVERAGE**

Under Paragraph A COVERAGE - of SECTION III - PHYSICAL DAMAGE COVERAGE, we will pay for the expense of returning a stolen covered "auto" to you.

**10. GLASS REPAIR - WAIVER OF DEDUCTIBLE**

Under Paragraph D. - DEDUCTIBLE - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

No deductible applies to glass damage if the glass is repaired rather than replaced.

**11. TWO OR MORE DEDUCTIBLES**

Under Paragraph D. - DEDUCTIBLE - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

If another Hartford Financial Services Group, Inc. company policy or coverage form that is not an automobile policy or coverage form applies to the same "accident," the following applies:

- (1) If the deductible under this Business Auto Coverage Form is the smaller (or smallest) deductible, it will be waived;
- (2) If the deductible under this Business Auto Coverage Form is not the smaller (or smallest) deductible, it will be reduced by the amount of the smaller (or smallest) deductible.

**12. AMENDED DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS**

The requirement in LOSS CONDITIONS 2.a. -DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS - of SECTION IV - BUSINESS AUTO CONDITIONS that you must notify us of an "accident" applies only when the "accident" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership;
- (3) A member, if you are a limited liability company; or

(4) An executive officer or insurance manager, if you are a corporation.

**13. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS**

If you unintentionally fail to disclose any hazards existing at the inception date of your policy, we will not deny coverage under this Coverage Form because of such failure.

**14. HIRED AUTO - COVERAGE TERRITORY**

Paragraph e. of GENERAL CONDITIONS 7. - POLICY PERIOD, COVERAGE TERRITORY of SECTION IV - BUSINESS AUTO CONDITIONS is replaced by the following:

e. For short-term hired "autos", the coverage territory with respect to Liability Coverage is anywhere in the world provided that if the "insured's" responsibility to pay damages for "bodily injury" or "property damage" is determined in a "suit," the "suit" is brought in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.

**15. WAIVER OF SUBROGATION**

TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US - of SECTION IV -BUSINESS AUTO CONDITIONS is amended by adding the following:

We waive any right of recovery we may have against any person or organization with whom you have a written contact that requires such waiver because of payments we make for damages under this Coverage Form. •

**16. RESULTANT MENTAL ANGUISH COVERAGE**

The definition of "bodily injury" in SECTION DEFINITIONS is replaced by the following:

"Bodily injury" means bodily injury, sickness, or disease sustained by any person, including mental anguish or death resulting from any of these.

**17. EXTENDED CANCELLATION CONDITION**

Paragraph 2. of the COMMON POLICY CONDITIONS - CANCELLATION - applies except as follows:

If we cancel for any reason other than nonpayment of premium, we will mail or deliver to the first Named Insured ' written notice of cancellation at least 60 days before the effective date of cancellation,

**18. HYBRID, ELECTRIC, OR NATURAL GAS VEHICLE PAYMENT COVERAGE**

In the event of a total loss to a "non-hybrid" auto for which Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form, then such Physical Damage Coverages are amended as follows:

- a. If the auto is replaced with a "hybrid" auto or an auto powered solely by electricity or natural gas, we will pay an additional 10%, to a maximum of \$2,500, of the "non-hybrid" auto's actual cash value or replacement cost, whichever is less,
- b. The auto must be replaced and a copy of a bill of sale or new lease agreement received by us within 60 calendar days of the date of "loss,"
- c. Regardless of the number of autos deemed a total loss, the most we will pay under this Hybrid, Electric, or Natural Gas Vehicle Payment Coverage provision for any one "loss" is \$10,000.

For the purposes of the coverage provision,

- a. A "non-hybrid" auto is defined as an auto that uses only an internal combustion



engine to move the auto but does not include autos powered solely by electricity or natural gas.

b. A "hybrid" auto is defined as an auto with an internal combustion engine and one or more electric motors; and that uses the internal combustion engine and one or more electric motors to move the auto, or the internal combustion engine to charge one or more electric motors, which move the auto.

#### 19. VEHICLE WRAP COVERAGE

In the event of a total loss to an "auto" for which Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form, then such Physical Damage Coverages are amended to add the following:

In addition to the actual cash value of the "auto," we will pay up to \$1,000 for vinyl vehicle wraps which are displayed on the covered "auto" at the time of total loss. Regardless of the number of autos deemed a total loss, the most we will pay under this Vehicle Wrap Coverage provision for any one "loss" is \$5,000. For purposes of this coverage provision, signs or other graphics painted or magnetically affixed to the vehicle are not considered vehicle wraps.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF OUR RIGHT TO RECOVER  
FROM OTHERS ENDORSEMENT

3400237QT7080101 00214

Policy Number: 37 WE QT7080

Endorsement Number:

Effective Date: 11/01/13 Effective hour is the same as stated on the Information Page of the policy.

Named Insured and Address: LAYFIELD ENVIROMENTAL SYSTEMS  
CORPORATION  
2500 SWEETWATER SPRINGS BLVD STE 11  
SPRING VALLEY, CA 91978

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

SCHEDULE

ANY PERSON OR ORGANIZATION IF ANY  
FROM WHOM YOU ARE REQUIRED BY  
WRITTEN CONTRACT OR AGREEMENT  
TO OBTAIN THE WAIVER OF RIGHTS  
FROM US

Countersigned by Ronald J. Jordan  
Authorized Representative

Form WC 00 03 13 Printed in U.S.A  
Process Date: 10/31/13

Policy Expiration Date: 11/01/14

Miscellaneous Attachment: M493477  
Certificate ID: 13151385