

PO Accounting Date: 9/9/2013

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

Purchase Order # **PO-000493**

Delivery must be made within doors of specified destination.

BILL TO


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

VENDOR

Granite Construction Company
 PO Box 742478
 Los Angeles CA 90074-2478

SHIP TO

Truckee Meadows Water Authority
 1355 Capital Blvd
 Reno NV 89502

Requester Contact Name		Requester Contact Phone Number		Vendor Number		
				000179		
Date Ordered	Date Requested	Freight Method/Terms				
9/9/2013	6/30/2013					
Line #	Description/Part No.	Qty	UOM	Unit Price	Discount Amount	Extended Price
1	2013 Fleish Flume Rebuild PWP#WA-2013-323 - NRS 338 Formal Bid. PWP Construction Projects	296	296.00	usd	1.00	\$296,296.00
 Mark Foree General Manager						

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

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

PO Total \$296,296.00

AGREEMENT FOR CONSTRUCTION
2013 Fleish Flume Rebuild
TMWA Capital Project No.: 20-0007
Public Works Project Number: WA-2013-323

THIS AGREEMENT FOR CONSTRUCTION (the "Agreement"), made and entered into this 9th day of September, 2013, by and between Granite Construction Company, P.O. Box 50085, Watsonville, California, a general contractor licensed by the State of Nevada (Nevada Contractor's License No.8197) (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, Special Provisions, Technical Specifications, Addenda issued prior to execution, Amendments issued after execution, Drawings entitled 2013 Fleish Flume Rebuild prepared by Chris Struffert, 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 below and referred to as the ("Project") as also 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.

TMWA Project Number 20-0007 - 2013 Fleisch Flume Rebuild

Description of Work

The project involves the complete demolition and rebuilding of approximately 592 linear feet of timber flume for the Fleisch hydroelectric plant owned by the Truckee Meadows Water Authority (TMWA). The flume is located east of the Truckee River approximately 2 miles south of Gold Ranch near the CA/NV state line.

All work is to be completed per the Improvement Plans for the 2013 Fleisch Flume Rebuild, the project documents, and as directed by the Project Representative. Project components include the following:

- **Access Road Construction** consisting of clearing, grubbing, and leveling approximately 400 linear feet to establish access to the project site. Also included is the placement of 20 LF 24" diameter galvanized CMP with standard flared end sections to intercept existing drainage. Location to be field determined.
- **Demolition**, removal and proper off-site disposal of 37 existing flume boxes and substructure.
- **Leveling, grading, and compaction** of the flume alignment to prepare subgrade for placement of stabilized rock base.
- **Placement of stabilized rock base** including geotextile material placement of rock, and consolidation with a vibratory plate or roller.
- **Construction of new flume substructure** consisting of bents on 8-ft centers per the TMWA Rebuild Standards.
- **Construction of new flume boxes** consisting of framing, plywood and PVC sheet lining, and securing the liner with battens. Due to close construction tolerance requirements and the necessity to minimize flume leakage, no prefabrication of flume boxes will be allowed; all flume boxes shall be stick-built on site.

All lumber and whaler rods for the project will be provided by TMWA. This material will be stored at TMWA's storage yard in Verdi for contractor pick-up. The contractor will transport this material to the job site. All other material to complete the project including PVC liner, nails, staples, other hardware, and miscellaneous items shall be provided by the contractor as required.

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 substantial completion by **sixty-eight (68) days from the date of the Notice to Proceed** and 100 percent completion by **seventy-five (75) 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 **zero (0) 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 substantial 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 **\$3,000.00 (three thousand dollars)** per day commencing on the expiration of the time specified above and continuing until substantial completion. Owner may deduct liquidated damages from any unpaid amounts then or thereafter due the Contractor under this Agreement.

TMWA will pay the contractor for each day the Work is substantially complete prior to the Substantial Completion the sum of **\$1,500.00 (one thousand five hundred dollars)** available to the Contractor as an Early Completion Incentive for each full calendar day that the work is substantially complete ahead of the Substantial Completion Date. Incentives by partial or pro-rated calendar days will not be considered.

Once the Substantial Completion Date has passed, the Contractor will be allowed one week additional time for cleanup, punch list completion, and site restoration. These items must be successfully finished by the Final Completion Date. If these items, and all other remaining contract items are not completed in the specified timeframe, TMWA will be entitled to liquidated damages in the amount of **\$500.00 (five hundred dollars)** per day until all Work is complete.

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: **Two Hundred Ninety Six Thousand Two Hundred Ninety Six Dollars (\$296,296.00)** (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: Mary Joice Date: 9/9/13
General Manager

STATE OF _____)
County of _____) ss

_____ 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: GRANITE CONSTRUCTION COMPANY ATTEST:

By: Jigisha Desai
Title: Vice President

Firm: Granite Construction Company
Address: P.O. Box 50085
City/State & Zip: Watsonville, CA 95077-5085
Telephone: (831) 724-1011
Fax: (831) 768-4021
E-mail: chris.burke@gcinc.com

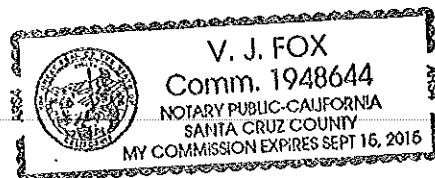
On this 4th day of September, in the year 2013, before me, V.J. Fox /Notary Public, personally appeared Jigisha Desai or personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument, and acknowledged that he (she) executed it.

WITNESS my hand and official seal.
By: [Signature]
V.J. Fox Notary's Signature

By: [Signature]
(Signature Of Contractor)

L.S.

DATED this 4th day of September, 2013.



PERFORMANCE BOND

WHEREAS, Contractor has by written agreement dated September 9, 20 13, entered into a contract with Truckee Meadows Water Authority for PWP Bid No WA-2013-323 and titled "2013 Fleish Flume Rebuild," 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 Granite Construction Company, P.O. Box 50085, Watsonville, California, 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 **Two Hundred Ninety Six Thousand Two Hundred Ninety Six Dollars (\$296,296.00)**, 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.

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 No. WA-2013-323 and titled "2013 Fleish Flume Rebuild"

BY:

/Jigisha Desai,
/Vice President

(signature of Principle)

TITLE: Vice President

L.S.

FIRM: Granite Construction Company

Address: P.O. Box 50085

City, State, Zip: Watsonville, CA 95077-5085

Phone: (831) 724-1011

Printed Principal's Name: Jigisha Desai

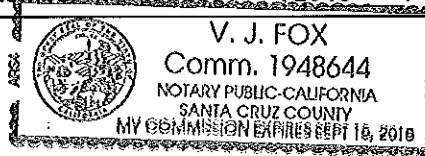
Attest by:

V.J. Fox

(signature of Notary)

Subscribed and Sworn before me this 4th day of September, 2013

Notary public for the State of California



CLAIMS UNDER THIS BOND
MAY BE ADDRESSED TO:

Nevada Agent Information

Name of Surety

Name of Nevada Licensed Agent

Federal Insurance Company*

A & H Insurance

Address 15 Mountain View Road

Address 3301 S. Virginia

City Warren

City Reno,

State/Zip Code N.J./07059

State/Zip Code NV 89502

Name Ashley Stinson

Agent's Name Cynthia Bell

Title Attorney-in-Fact

Agent's Title Resident Agent

Telephone 908-903-3451

Agent's Telephone 775-829-2600

Surety's Acknowledgment:

Nevada Agent's Acknowledgment:

By:

(signature of Ashley Stinson)

By:

(signature of Cynthia Bell)

Ashley Stinson, Attorney-in-Fact

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.

*Travelers Casualty and Surety Company of America
Fidelity and Deposit of Maryland
Jointly and Severally Liable

ACKNOWLEDGMENT


State of California
County of Santa Cruz)

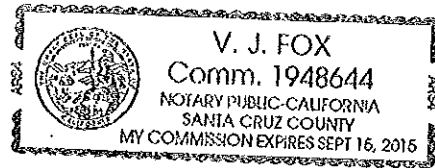
On September 4, 2013 before me, V.J. Fox, Notary Public
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature  (Seal)
V.J. Fox, Notary Public



LABOR AND MATERIAL PAYMENT BOND

WHEREAS, Contractor has by written agreement dated September 9, 2013 entered into a contract with Truckee Meadows Water Authority for PWP Bid No. WA-2013-323 and titled "2013 Fleish Flume Rebuild" 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 Granite Construction Company, P.O. Box 50085, Watsonville, California, 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 **Two Hundred Ninety-Six Thousand Two Hundred Ninety Six Dollars (\$296,296.00)**, 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

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

LABOR AND MATERIAL PAYMENT BOND

Continued for PWP Bid No. WA-2013-323 and titled "2013 Fleish Flume Rebuild"

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: *Jigisha Desai* /Jigisha Desai, (signature of Principle)
 /Vice President

TITLE: Vice President L.S.

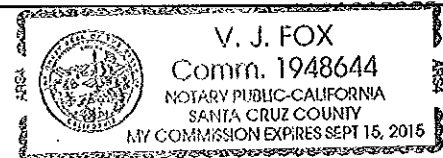
FIRM: Granite Construction Company
Address: P.O. Box 50085
City, State, Zip: Watsonville, CA 95077-5085
Phone: (831) 724-1011

Printed Principal's Name: **Jigisha Desai**

Attest by: *V.J. Fox* /V.J. Fox (signature of Notary)

Subscribed and Sworn before me this **4th** day of **September**, 20**13**.

Notary public for the State of **California**



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

Nevada Agent Information

Name of Surety Federal Insurance Company*	Name of Nevada Licensed Agent <i>A & H Insurance</i>
Address 15 Mountain View Road	Address <i>3301 S. Virginia</i>
City Warren	City <i>Reno</i>
State/Zip Code N.J./07059	State/Zip Code <i>NV 89502</i>
Name Ashley Stinson	Agent's Name <i>Cynthia Bell</i>
Title Attorney-in-Fact	Agent's Title <i>Resident Agent</i>
Telephone 908-903-3451	Agent's Telephone <i>775-829-2600</i>

Surety's Acknowledgment:
 By: *Ashley Stinson*
 Ashley Stinson, Attorney-in-Fact

Nevada Licensed Agent's Acknowledgment:
 By: *Cynthia Bell*

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.

*Travelers Casualty and Surety Company of America
 Fidelity and Deposit of Maryland
 Jointly and Severally Liable

ACKNOWLEDGMENT

State of California
County of Santa Cruz)

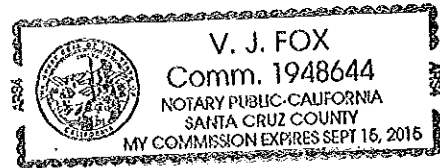
On September 4, 2013 before me, V.J. Fox, Notary Public
(Insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature  (Seal)
V.J. Fox, Notary Public





Chubb
Surety

POWER
OF
ATTORNEY

Federal Insurance Company
Vigilant Insurance Company
Pacific Indemnity Company

Attn: Surety Department
16 Mountain View Road
Warren, NJ 07059

Know All by These Presents, That FEDERAL INSURANCE COMPANY, an Indiana corporation, VIGILANT INSURANCE COMPANY, a New York corporation, and PACIFIC INDEMNITY COMPANY, a Wisconsin corporation, do each hereby constitute and appoint Jigisha Desai, John D. Gilliland, Catherine Gustavson, Cynthia P. Johnson, Kathleen Schreckengost, Ashley Stinson and Lillian Tse of Watsonville, California-----

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds and undertakings and other writings obligatory in the nature thereof (other than bail bonds) given or executed in the course of business on behalf of Granite Construction Incorporated and all Subsidiaries alone or in joint venture-----
in connection with bids, proposals or contracts to or with the United States of America, any State or political subdivision thereof or any person, firm or corporation. And the execution of such bond or obligation by such Attorney-in-Fact in the Company's name and on its behalf as surety thereon or otherwise, under its corporate seal, in pursuance of the authority hereby conferred shall, upon delivery thereof, be valid and binding upon the Company.

In Witness Whereof, said FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY have each executed and attested these presents and affixed their corporate seals on this 10th day of April, 2013.

Dawn M. Chloros, Assistant Secretary

David B. Norris, Jr., Vice President

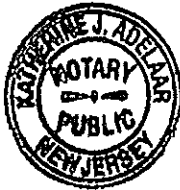
STATE OF NEW JERSEY

ss.

County of Somerset

On this 10th day of April, 2013 before me, a Notary Public of New Jersey, personally came Dawn M. Chloros, to me known to be Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY, the companies which executed the foregoing Power of Attorney, and the said Dawn M. Chloros, being by me duly sworn, did depose and say that he is Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of the By-Laws of said Companies; and that he signed said Power of Attorney as Assistant Secretary of said Companies by like authority; and that he is acquainted with David B. Norris, Jr., and knows him to be Vice President of said Companies; and that the signature of David B. Norris, Jr., subscribed to said Power of Attorney is in the genuine handwriting of David B. Norris, Jr., and was thereto subscribed by authority of said By-Laws and in deponent's presence.

Notarial Seal



KATHERINE J. ADELAAR
NOTARY PUBLIC OF NEW JERSEY
No 2316685
Commission Expires July 16, 2014

Notary Public

CERTIFICATION

Extract from the By-Laws of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY:

"All powers of attorney for and on behalf of the Company may and shall be executed in the name and on behalf of the Company, either by the Chairman or the President or a Vice President or an Assistant Vice President, jointly with the Secretary or an Assistant Secretary, under their respective designations. The signature of such officers may be engraved, printed or lithographed. The signature of each of the following officers: Chairman, President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached."

I, Dawn M. Chloros, Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY (the "Companies") do hereby certify that

- (i) the foregoing extract of the By-Laws of the Companies is true and correct,
- (ii) the Companies are duly licensed and authorized to transact surety business in all 50 of the United States of America and the District of Columbia and are authorized by the U.S. Treasury Department; further, Federal and Vigilant are licensed in Puerto Rico and the U.S. Virgin Islands, and Federal is licensed in American Samoa, Guam, and each of the Provinces of Canada except Prince Edward Island; and
- (iii) the foregoing Power of Attorney is true, correct and in full force and effect

Given under my hand and seals of said Companies at Warren, NJ this

September 4, 2013



Dawn M. Chloros, Assistant Secretary

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT ADDRESS LISTED ABOVE, OR BY Telephone (908) 903- 3493 Fax (908) 903- 3656 e-mail: surety@chubb.com



POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In-Fact No. 226331

KNOW ALL MEN BY THESE PRESENTS: That St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company and St. Paul Mercury Insurance Company are corporations duly organized under the laws of the State of Minnesota, that Farmington Casualty Company, Travelers Casualty and Surety Company, and Travelers Casualty and Surety Company of America are corporations duly organized under the laws of the State of Connecticut, that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc. is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint John D. Gilliland, Jigisha Desai, Cynthia P. Johnson, Kathleen Schreckengost, Catherine Gustavson, Ashley Stinson, and Lillian Tse of the City of Watsonville, State of California, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

This Power of Attorney is limited to bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof for Granite Construction Incorporated and all subsidiaries and affiliates, alone or in joint venture.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 14th day of March, 2013.

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut

City of Hartford ss.

By:

Handwritten signature of Robert L. Raney, Senior Vice President

On this the 14th day of March, 2013, before me personally appeared George W. Thompson, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.

My Commission expires the 30th day of June, 2016.



Handwritten signature of Marie C. Tetreault, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

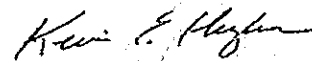
FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, Kori M. Johanson, the undersigned, Assistant Secretary, of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this **September 4, 2013**



Kevin E. Hughes, Assistant Secretary



To verify the authenticity of this Power of Attorney, call 1-800-421-3880 or contact us at www.travelersbond.com. Please refer to the Attorney-In-Fact number, the above-named individuals and the details of the bond to which the power is attached.

**ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND
POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS: That the ZURICH AMERICAN INSURANCE COMPANY, a corporation of the State of New York, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, a corporation of the State of Maryland, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND a corporation of the State of Maryland (herein collectively called the "Companies"), by **Geoffrey Delisio, Vice President**, in pursuance of authority granted by Article V, Section 8, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute, and appoint **Jigisha DESAI, Catherine GUSTAVSON, Cynthia P. JOHNSON, Kathleen SCHRECKENGOST, John D. GILLILAND, Ashley STINSON and Lillian TSE**, each its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: **any and all bonds and undertakings, issued on behalf of Granite Construction Incorporated, Watsonville, California and all subsidiaries alone or in a joint venture** and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the ZURICH AMERICAN INSURANCE COMPANY at its office in New York, New York., the regularly elected officers of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at its office in Owings Mills, Maryland., and the regularly elected officers of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at its office in Owings Mills, Maryland., in their own proper persons.

The said Vice President does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article V, Section 8, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President has hereunto subscribed his/her names and affixed the Corporate Seals of the said ZURICH AMERICAN INSURANCE COMPANY, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 1st day of March, A.D. 2013.



Geoffrey Delisio

By: _____
Vice President – Geoffrey Delisio

Gerald F. Haley

By: _____
Assistant Secretary – Gerald F. Haley

State of Maryland
County of Baltimore

On this 1st day of March, A.D. 2013, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, **Geoffrey Delisio, Vice President** and **Gerald F. Haley, Assistant Secretary** of the Companies, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and acknowledged the execution of same, and being by me duly sworn, depose and saith, that he/she is the said officer of the Company aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and that the said Corporate Seals and the signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

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



Constance A. Dunn

By: _____
Constance A. Dunn - Notary Public
My Commission Expires: July 14, 2015

EXTRACT FROM BY-LAWS OF THE COMPANIES

"Article V, Section 8, Attorneys-in-Fact. The Chief Executive Officer, the President, or any Executive Vice President or Vice President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Company, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify or revoke any such appointment or authority at any time."

CERTIFICATE

I, the undersigned, Vice President of the ZURICH AMERICAN INSURANCE COMPANY, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that Article V, Section 8, of the By-Laws of the Companies is still in force.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the ZURICH AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 15th day of December 1998.

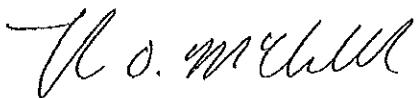
RESOLVED: "That the signature of the President or a Vice President and the attesting signature of a Secretary or an Assistant Secretary and the Seal of the Company may be affixed by facsimile on any Power of Attorney...Any such Power or any certificate thereof bearing such facsimile signature and seal shall be valid and binding on the Company."

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994, and the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seals of the said Companies,

This **September 4, 2013**



Thomas O. McClellan, Vice President





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
09/06/2013

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).

PRODUCER LIC #062759 Aon Risk Insurance Services West, Inc. 199 Fremont Street, Suite 1500 San Francisco, CA 94105	1-415-486-7000	CONTACT NAME: PHONE (A/C, No, Ext): E-MAIL ADDRESS: PRODUCER CUSTOMER ID #:	FAX (A/C, No):
INSURED GRANITE CONSTRUCTION COMPANY P.O. BOX 50085 WATSONVILLE, CA 95077	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: VALLEY FORGE INS CO		20508
	INSURER B:		
	INSURER C:		
	INSURER D:		
	INSURER E:		
	INSURER F:		

COVERAGES

CERTIFICATE NUMBER: 35608538

REVISION NUMBER:

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 ETR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Contractual Liability <input checked="" type="checkbox"/> XCU Hazards GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	X X	GL 2074978689	10/01/12	10/01/15	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 2,000,000 MED EXP (Any one person) \$ NIL PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 10,000,000 PRODUCTS - COMPROP AGG \$ 2,000,000 \$
A	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"/> Contractual Liability	X X	BUA 2074978692	10/01/12	10/01/15	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DEDUCTIBLE RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	X	WC 274978630 WC 274978644	10/01/12 10/01/12	10/01/15 10/01/15	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 2,000,000 E.L. DISEASE - EA EMPLOYEE \$ 2,000,000 E.L. DISEASE - POLICY LIMIT \$ 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
216 2013 Fleish Flume Rebuild-Capital Project # 20-0007 PWP# WA-2013-323

Truckee Meadows Water Authority, it's officers, employees and immune contractors are named additional insured, as per endorsements attached.

GL PER ISO FORM CG0001 10/01; AL PER ISO CA0001 03/10

CERTIFICATE HOLDER

CANCELLATION

216 Truckee Meadows Water Authority P.O. Box 30013 Reno, NV 89520-3013 USA	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
--	---

SUPPLEMENT TO CERTIFICATE OF INSURANCE

DATE
09/06/2013

NAME OF INSURED: GRANITE CONSTRUCTION COMPANY



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
 BLANKET ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS
 - WITH PRODUCTS-COMPLETED OPERATIONS COVERAGE**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE (OPTIONAL)

Name of Additional Insured Persons Or Organizations
(As required by "written contract" per Paragraph A. below.) The insurance afforded to the additional insured only applies to the extent permitted by law.

Locations of Covered Operations
(As per the "written contract," provided the location is within the "coverage territory" of this Coverage Part.)

A. Section II - Who Is An Insured is amended to include as an additional insured:

1. Any person or organization whom you are required by "written contract" to add as an additional insured on this Coverage Part; and
2. The particular person or organization, if any, scheduled above.

B. The insurance provided to the additional insured is limited as follows:

1. The 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:
 - a. Your acts or omissions; or
 - b. The acts or omissions of those acting on your behalf in the performance of your ongoing operations specified in the "written contract"; or
 - c. "Your work" that is specified in the "written contract" but only for "bodily injury" or "property damage" included in the "products-completed operations hazard," and only if:
 - (1) The "written contract" requires you to provide the additional insured such coverage; and
 - (2) This Coverage Part provides such coverage.

2. We will not provide the additional insured any broader coverage or any higher limit of insurance than the least that is:

- a. Required by the "written contract";

- b. Described in B.1. above; or
- c. Afforded to you under this policy.

3. This insurance is excess of all other insurance available to the additional insured whether on a primary, excess, contingent or any other basis. But if required by the "written contract," this insurance will be primary and non-contributory relative to insurance on which the additional insured is a Named Insured.

4. The insurance provided to the additional insured does not apply to "bodily injury," "property damage," or "personal and advertising injury arising out of:

- a. The rendering of, or the failure to render, any professional architectural, engineering, or surveying services, including:
 - (1) The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
 - (2) Supervisory, inspection, architectural or engineering activities; or
- b. Any premises or work for which the additional insured is specifically listed as an additional insured on another endorsement attached to this Coverage Part.

C. SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS is amended as follows:

1. The **Duties In The Event of Occurrence, Offense, Claim or Suit** condition is amended to add the following additional conditions applicable to the additional insured:



An additional insured under this endorsement will as soon as practicable:

- (1) Give us written notice of an "occurrence" or an offense which may result in a claim or "suit" under this insurance, and of any claim or "suit" that does result;
- (2) Except as provided in Paragraph B.3 of this endorsement, agree to make available any other insurance the additional insured has for a loss we cover under this Coverage Part;
- (3) Send us copies of all legal papers received, and otherwise cooperate with us in the investigation, defense, or settlement of the claim or "suit"; and
- (4) Tender the defense and indemnity of any claim or "suit" to any other insurer or self insurer whose policy or program applies to a loss we cover under this Coverage Part. But if the "written contract" requires this insurance to be primary and non-contributory, this provision (4) does not apply to insurance on which the additional insured is a Named Insured.

We have no duty to defend or indemnify an additional insured under this endorsement until we receive from the additional insured written notice of a claim or "suit."

2. With respect only to the insurance provided by this endorsement, the first sentence of Paragraph 4.a. of the Other Insurance Condition is deleted and replaced with the following:

4. Other Insurance

a. Primary Insurance

This insurance is primary and non-contributory except when rendered excess by endorsement G-140331-C, or when Paragraph b. below applies.

- D. Only for the purpose of the insurance provided by this endorsement, **SECTION V – DEFINITIONS** is amended to add the following definition:

"Written contract" means a written contract or written agreement that requires you to make a person or organization an additional insured on this Coverage Part, provided the contract or agreement:

1. Is currently in effect or becomes effective during the term of this policy; and
2. Was executed prior to:
 - a. The "bodily injury" or "property damage"; or
 - b. The offense that caused the "personal and advertising injury"

for which the additional insured seeks coverage under this Coverage Part.

Notice of Cancellation

In the event of cancellation or material change that reduces or restricts the insurance afforded by the General Liability Coverage Form, the Company agrees to mail prior written notice of cancellation or material change to the person or organization named in the Schedule. Schedule

Name: Any person or organization the named insured is required by written contract or agreement to mail prior written notice of cancellation or material change.

Number of days advance notice

60 (or fewer, as required by written contract) days notice for any other reason

Waiver of Subrogation

The Company waives any right of subrogation against any additional insured because of payments the Company makes for injury or damage arising out of operations performed for such additional insured by the named insured but, only if a written contract requires such a waiver.

POLICY NUMBER: BUA2074978692
Granite Construction Incorporated
Effective 10-01-12

COMMERCIAL AUTO
CA2048 02 99

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
DESIGNATED INSURED

This endorsement modifies insurance provided under the following:

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

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

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

SCHEDULE

Name of Person(s) or Organization(s):

Any person or organization whom the named insured is required by written contract to add as an additional insured on this policy.

The coverage afforded to the additional insured shall operate as **primary insurance** only if the written contract requires that this insurance be primary. No other insurance maintained by the additional insured shall be called upon to contribute to a loss hereunder if the written contract requires that such other insurance shall be non-contributory.

The insurance afforded to the additional insured only applies to the extent permitted by law.

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

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

CA 20 48 02 99

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Waiver of Subrogation

The Company waives any right of recovery the Company may have against the person or organization shown in the Schedule because of payments the Company makes for injury or damage arising out of the named insured's activities under a contract with that person or organization.

Schedule

Name of Person or Organization: Any person or organization with whom the named insured agrees in writing prior to the date of any loss to waive the named insured's right to recover against them.

Notice of Cancellation

In the event of cancellation or material change that reduces or restricts the insurance afforded by the Business Auto Coverage Form, the Company agrees to mail prior written notice of cancellation or material change to the person or organization named in the Schedule.

Schedule

Name: Any person or organization the named insured is required by written contract or agreement to mail prior written notice of cancellation or material change.

Number of days advance notice:

60 (or fewer, as required by written contract) days notice for any other reason

Notice of Cancellation

In the event of cancellation or other material change of the Workers' Compensation and Employers' Liability Insurance policy, the insurer will mail advance notice to the person or organization named in the Schedule. The number of days advance notice is shown in the Schedule. This endorsement does not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

Name: Any person or organization the employer named in Item 1 of the Information Page is required by written contract or agreement to mail prior written notice of cancellation or material change.

Number of days advance notice:

60 (or fewer, as required by written contract) days notice for any other reason

BLANKET WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT – CALIFORNIA

It is agreed that Part One – Workers Compensation Insurance G. Recovery From Others and Part Two – Employers Liability Insurance H. Recovery From Others are amended by adding the following:

We will not enforce our right to recover against persons or organizations. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

Endorsement Effective: 10/01/12

Policy No. WC274978630 (CA)

Insurance Company: Valley Forge Insurance Co

G-19160-B
(ED. 11/97)

UTAH WAIVER OF SUBROGATION ENDORSEMENT

This endorsement applies only to the insurance provided by the policy because Utah is shown in item 3.A of the information Page.

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. Our waiver of rights does not release your employees' rights against third parties and does not release our authority as trustee of claims against third parties.

Schedule

Person or Organization:

Any person or organization for whom the named insured has agreed by written contract prior to date of any loss to furnish this waiver

This endorsement changes the policy to which is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparations of the policy.)

Endorsement Effective: 10/01/12

Policy No. WC 274978644

Insurance Company: Valley Forge Insurance Co.

WC 43 03 05
(Ed. 7-00)

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT – ALL OTHER STATES

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

Person or Organization:

Any person or organization for whom the named insured has agreed by written contract prior to the date of any loss to furnish this waiver

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated. The information below is required only when this endorsement is issued subsequent to preparation of the policy.

Endorsement Effective: 10/1/12

Policy No. WC274978644

Insurance Company: Valley Forge Insurance Company

Endorsement Effective: 10/1/12

Policy No WC274978658 (NY Only)

Insurance Company: Transportation Insurance Company

WC 000 313
(Ed-4-84)