

RESOLUTION NO. 12-827

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
BLACK DIAMOND, KING COUNTY, WASHINGTON
AWARDING THE LOW BID ON THE 2012 ROADWAY
GRIND, PATCH AND CRACK SEALING PROJECT TO
NORTHWEST ASPHALT, INC.

WHEREAS, the City has planned and budgeted for the 2012 Roadway Grind, Patch and Crack Sealing Project; and

WHEREAS, the City has received bids on July 25, 2012; and

WHEREAS, Northwest Asphalt, Inc. was the low bidder and has met all the conditions of providing a responsible bid;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. Award the bid of the 2012 Roadway Grind, Patch and Crack Sealing Project to Northwest Asphalt, Inc. in the amount of \$71,640.55 for the construction of the 2012 Roadway Grind, Patch and Crack Sealing project and authorizing the Mayor to execute a contract for the same and authorize a 10% (\$7164) contingency fund for potential change orders, substantially in the form attached hereto as Exhibit A.

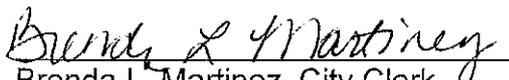
PASSED BY THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 16TH DAY OF AUGUST, 2012.

CITY OF BLACK DIAMOND:



Rebecca Olness, Mayor

Attest:



Brenda L. Martinez, City Clerk

CITY OF BLACK DIAMOND

Department of Public Works
P.O. Box 599 – 24301 Roberts Drive
Black Diamond, Washington 98010

SMALL PUBLIC WORKS CONTRACT

1. **Parties.** This Contract is voluntarily and knowingly entered into by and between the CITY OF BLACK DIAMOND, King County, Washington ("City"), and Northwest Asphalt Inc ("Contractor"), collectively, "the Parties."

2. **Project.** The Parties enter into this Contract for purposes of Contractor performing work ("the Project"), generally described as:

2012 Black Diamond Roadway Grind, Patch and Crack Sealing Project, including those additives, if any, specified in the bid award.

3. **Effective date.** This Contract becomes effective and binding upon the Parties, including their heirs, successors, and assigns, immediately upon the most recent date of signature appearing on this Contract.

4. **Notices to Parties.** Contractor agrees to accept notices under this Contract via e-mail. It is the responsibility of Contractor to notify City in writing if any of the contact information appearing below should change. Any notices required shall be in writing and delivered to the following addresses:

CITY:

CITY OF BLACK DIAMOND
P.O. Box 599 – 24301 Roberts Drive
Black Diamond, Washington 98010
Contact: Seth Boettcher
Phone: (253) 886-5700
Fax: (360) 886-2592

CONTRACTOR:

Northwest Asphalt Inc
PO Box 2260
Renton, WA 98056
Tax I.D. # 91-1645470
Contact: Contract Administrator
Phone: (425) 452-1820
Fax: (425) 452-1821

5. **Notice to Proceed.** The Contractor shall provide a performance bond, insurance certificates, a City business license and statement of intent to pay prevailing wage rates within 10 days of receiving a notice of award. Upon timely receipt of the bond, insurance certificate, business license and statement of intent to pay prevailing wage rates, the City will thereafter have ten (10) days to issue a notice to proceed. The September 21st deadline for completion of all work in accordance with the terms and conditions of the Agreement shall remain in effect provided that the notice to proceed is issued prior to August 24th, 2012.



6. **Obligations of Contractor.** In consideration of the mutual promises and obligations of the parties contained herein and incorporated by reference, Contractor expressly agrees to the following terms and conditions:

A. *In general.*

- (1) Responsible for all labor. Contractor agrees and understands that Contractor shall be solely responsible for furnishing all labor necessary to complete the Project as required.
- (2) Responsible for performing all work. Contractor agrees and understands that Contractor shall be solely responsible for performing all work necessary to complete the Project as required.
- (3) Responsible for furnishing all materials and equipment. Contractor agrees and understands that Contractor shall be solely responsible for furnishing all materials and equipment necessary to complete the Project as required, except for any materials expressly agreed in writing to be provided by City. Materials and equipment furnished under the Contract will be new and of good quality unless otherwise required and permitted by the City.
- (4) Documents incorporated by reference. Contractor agrees and understands that all terms and specifications contained in any Request for Bids that was issued by City as part of determining the awarding of this Contract are hereby incorporated by reference and must be complied with, unless one or more of such terms and specifications are expressly amended or waived in writing by City.
- (5) Laws and regulations to be followed. Contractor agrees and understands that Contractor, his employees, agents, and subcontractors, must at all times fully comply with all applicable laws, regulations, and administrative rulings in performing work for the Project.
- (6) Work Hours. The contractor shall not work on weekends. On Mondays through Thursdays, the contractor shall not start work before 7:00 AM, and shall not work after 6:00 PM. The contractor shall not start work before 7:00 AM on Fridays. The contractor must be off the street and shall not work after 3:30 PM on Fridays.
- (7) Conditions of Work. By submitting a proposal in response to the City's solicitation for quotations, the Contractor represents and warrants to the City that the Contractor has fully informed himself/herself/itself of all conditions relating to the work involved for completing the Project. In prosecuting the work, the Contractor shall employ such methods or means as will not interfere with or interrupt the work of the City or its agents, employees or contractors.
- (8) Contractor's Responsibility. The Contractor will prosecute the work in accordance with instructions, descriptions and/or plans and specifications provided by the City. The Contractor shall carry on the work at his/her/its own risk until the same is fully completed and accepted, and shall, in case of any accident, destruction or injury to the work and/or materials before its final completion and acceptance, repair or

replace forthwith the Work and/or materials so injured, damaged or destroyed, at his own expense and to the satisfaction of the City. When materials and equipment are furnished by others for installation or erection by the Contractor, the Contractor shall receive, unload, store and handle same at site and become responsible therefore as though such materials and/or equipment were being furnished by the Contractor. The Contractor shall procure all permits (unless permits are secured by the City) and licenses, pay all charges, fees and taxes, and give all notices necessary and incidental to the due and lawful prosecution of the work. The Contractor shall be responsible for preparing working drawings and shall submit them to the City for approval prior to commencement of work. For purposes of this Contract, working drawings shall mean, shop drawings, shop plans, erection plans, falsework plans, framework plans, cofferdam, cribbing and shoring plans, or any other supplementary plans or similar data, including a schedule of submittal dates for working drawings where specified, which the Contractor will rely on for purposes of conducting the work for the Project.

- (9) Contractor Clean-Up. Prior to Physical Completion, all debris resulting from Contractor's work, delivery or installation of equipment shall be disposed of entirely by the Contractor in an efficient and expeditious manner as required and directed by the City.
- (10) Safety. The Contractor and his subcontractors shall take all safety precautions and furnish and install all guards necessary for the prevention of accidents, and shall comply with all laws and regulations with regard to the prosecution of the Work. The Contractor agrees to furnish Material Safety Data Sheets (Form OSHA-20) applicable for hazardous or potentially hazardous products. Contractor agrees to comply with the conditions of the Washington Industrial Safety and Health Act of 1970, and standards and regulations issued thereunder, and certify that all items furnished and purchased will conform to and comply with said standards and regulations. Contractor further agrees to indemnify and hold harmless City from damages assessed against City because of Contractor's failure to comply with the Acts and the standards issued thereunder and for the failure of the items furnished under this order to so comply.

B. *Work Performance.*

- (1) Prevailing wages. Contractor agrees and understands that prevailing wages, as that term is defined under the laws of the State of Washington, shall be paid for all work performed on this Project by Contractor and by Contractor's subcontractors and agents.

The State of Washington prevailing wage rates applicable for this public works project, which is located in King County, may be found at the following website address of the Department of Labor and Industries:

<https://fortress.wa.gov/lni/wagelookup/prvWagelookup.aspx>.

Based on the bid submittal deadline for this project, the applicable effective date for prevailing wages for this project is **July 25, 2012**. A copy of the applicable prevailing

wage rates are also available for viewing at the office of the Owner, located at 24301 Roberts Drive, Black Diamond, WA 98010. Upon request, the Owner will mail a hard copy of the applicable prevailing wages for this project.

- (2) Notice to City. The Contractor shall provide a minimum 48-hours notice prior to commencement of work under this Contract. by phone to the City's assigned project manager as directed at the preconstruction conference..
- (3) The Scope of Work, Bid Form, and Specifications to be followed. Contractor agrees that all work is to be performed to the City's satisfaction and in compliance with:
 - a. the 2012 Standard Specifications for Road, Bridge, and Municipal Construction Division 2 through 9.
 - b. The attached scope of work,
 - c. Section 1-08.9 for the determination of Liquidated Damages
 - d. requirements contained in any Request for Bids (RFB) that was issued by the City prior to awarding this Contract, unless such requirements or specifications are expressly amended in writing by the City.
- (4) Bid Documents to control. Contractor agrees that all work is to be performed to the City's satisfaction and in compliance with the Bid Documents. Where the Bid Documents do not address specific construction issues, the City's Engineering Design & Construction Standards (can be found on the street page of the public works page of the city's web site) shall control.
- (5) Schedule of Work to be followed. All work outlined in the scope of work needs to be completed within 30 working days from the notice of award but in any case no later than September 21st, 2012. Contractor understands and agrees that time is of the essence in performing the work needed for this Project. Contractor shall diligently proceed with the work and shall assure that it, and its subcontractors, have adequate staffing at all times in order for Contractor to comply with any Schedule of Work agreed to by the Parties, and shall make all reasonable efforts to complete the work in a timely manner.
- (6) Duty to Correct. Contractor shall promptly correct work rejected by the City as failing to conform to the requirements of the Contract. The Contractor shall bear the cost of correcting such rejected work. In addition to the Contractor's other obligations under the Contract, the Contractor shall, for a period of one year after final acceptance of the Project by the City, correct work not conforming to the requirements of the Contract. If the Contractor fails to correct nonconforming work within a reasonable time, the City may correct it and Contractor shall reimburse the City for the cost of the correction.
- (7) Project Administration/Notice to Proceed. The Public Works Director, or his or her designee, shall administer this Contract and shall have all authority provided for the City under this Contract including all project approvals, including change orders. Contractor shall not commence work until Notice to Proceed has been given by the City. All work performed under this Contract will be monitored and inspected by the Public Works Director or his designee, and accepted by same.

C. *Non-Discrimination.*

- (1) Contractor agrees that it, and its subcontractors and other agents, shall not discriminate against any employee or applicant for employment or any other person in the performance of this Contract because of race, creed, color, national origin, marital status, sex, sexual orientation, age, disability, or other condition prohibited by federal, state, or local law or ordinance, except where the condition constitutes a bona fide occupational qualification under law.
- (2) Any violation of this Section shall be a material breach of this Contract and grounds for immediate cancellation, termination, or suspension of the Contract by City, in whole or in part, and may result in Contractor being ineligible to perform further work for the City.

6. **Compensation**

Compensation shall be by Unit Price for each of the 13 categories of work and 4 bid additive items as defined in the attached Bid Form/ Scope of Work at the bid amounts.

Compensation for services requested by the City beyond the defined scope of work shall be by the unit prices according to the bid or by change order.

7. **Payment**

- A. The Contractor shall request approval and acceptance of each category of work from the City. The Contractor may not bill for the completed work until the City has accepted the completed work.
- B. Contractor shall maintain time and expense records and provide them to the City monthly, along with monthly invoices for any hourly work performed to the date of the invoice.
- C. All invoices shall be paid by City warrant within sixty (60) days of receipt of a proper invoice.
- D. Failure to perform any of the obligations under the Contract by the Contractor may be decreed by the City to be adequate reason for withholding any payments until compliance is achieved. Progress payments for work performed shall not be evidence of acceptable performance or an admission by the City that any work has been satisfactorily completed.
- E. Payments received on account of work performed by a subcontractor are subject to the provisions of RCW 39.04.250.

8. **Performance Bond.** The Contractor shall provide a performance and payment bond to the City prior to commencement of work for 100% of the bid amount including tax guaranteeing the full and faithful performance by the Contractor of the terms and conditions of this Contract.

Initial: VP (Contractor)

9. **Retainage.** Pursuant to RCW 60.28, a sum of five (5) percent of the monies earned by the Contractor will be retained from progress payments. Such retainage shall be used as a trust fund for the protection and payment (1) to the State with respect to taxes imposed pursuant to RCW Title 82, and (2) the claims of any person arising under the Contract.
10. **Changes.** After execution of the Contract, changes in the Project may be accomplished by change order. The City, without invalidating the Contract, may request additional services within the general scope of the Contract consisting of additions, deletions or other revisions according to the commitment of equipment and rates for each category of work. The Contract Sum and Contract completion date will be adjusted accordingly. Change orders shall be in writing signed by the parties.
11. **Termination of Contract.** This Contract may be terminated by the City at any time upon the default of the Contractor or upon public convenience, in which Contractor shall be entitled to just and equitable compensation for any satisfactory work completed prior to the date of termination. Such compensation shall be pro-rated based upon the lump sum bid and the percentage of the work completed. Contractor shall not be entitled to any reallocation of cost, profit or overhead. Contractor shall not in any event be entitled to anticipated profit on work not performed because of such termination. Contractor shall use its best efforts to minimize the compensation payable under this Contract in the event of such termination. If the contract is terminated for default, the Contractor shall not be entitled to receive any further payments under the Contract until all work called for has been fully performed. Any extra cost or damage to the City resulting from such default(s) shall be deducted from any money due or coming due to the Contractor. The Contractor shall bear any extra expenses incurred by the City in completing the work, including all increased costs for completing the work, and all damage sustained, or which may be sustained by the City by reason of such default.
12. **Responsibility Criteria and Verification by Contractor.** Pursuant to Chapter 39.04 RCW, the following requirements must be included in any public works contract:

A. *Responsibility Criteria.*

- (1) Eligibility to be awarded contract. To be awarded this public works contract, the Contractor hereby certifies that Contractor meets the following responsibility criteria:

- a. Contractor has a certificate of registration in compliance with chapter 18.27 RCW;
 - b. Contractor has a current state unified business identifier number;
 - c. If applicable, Contractor has industrial insurance coverage for Contractor's employees working in Washington as required under Title 51 RCW; an employment security department number as required in Title 50 RCW; and a state excise tax registration number as required in Title 82 RCW; and
 - d. Contractor is not disqualified from bidding on any public works contract under RCW 39.06.010 or 39.12.065(3).
- B. *Requirement to verify subcontractors.* Contractor must verify the responsibility criteria contained above for each first tier subcontractor, and a subcontractor of any tier that hires other subcontractors must verify responsibility criteria for each of its subcontractors. Verification shall include that each subcontractor, at the time of subcontract execution, meets the responsibility criteria listed in RCW 39.04.350(1) and possesses an electrical contractor license, if required by chapter 19.28 RCW, or an elevator contractor license, if required by chapter 70.87 RCW. This verification requirement must be included in every public works contract and subcontract of every tier.

13. Insurance

- A. All employees, subcontractors, agents to be covered. Contractor shall procure and maintain for the duration of the Contract, and shall provide proof satisfactory to the City, that insurance is maintained by Contractor and each of its subcontractors or agents who are not otherwise covered by Contractor's insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by Contractor, its agents, representatives, or employees.
- B. Lack of insurance grounds for termination of contract. Failure of Contractor to maintain insurance as required herein shall be grounds for immediate termination of this Contract by the City.
- C. Title 51 Industrial Insurance Waived. The parties have specifically negotiated as a term of this Contract that Contractor has agreed to expressly waive immunity under Title 51 RCW Industrial Insurance Law.
- D. Minimum Scope of Insurance. Contractor shall obtain insurance of the types described below:
 - 1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, stop gap liability, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability insurance shall be endorsed to provide the Aggregate Per Project Endorsement ISO form CG 25 03 11 85. There shall be no endorsement or modification of the Commercial General Liability Insurance for liability arising from explosion, collapse or underground property damage. The City shall be named as an insured under the Contractor's Commercial General Liability insurance policy with respect to the work performed for The City using ISO Additional Insured endorsement CG 20 10 10 01 and Additional Insured-Completed Operations endorsement CG 20 37 10 01 or substitute endorsements providing equivalent coverage.

3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

E. Minimum Amounts of Insurance. Contractor shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.

2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate and a \$2,000,000 products-completed operations aggregate limit.

F. Other Insurance Provisions. The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability, Commercial General Liability and Builders Risk insurance:

1. The Contractor's insurance coverage shall be primary insurance as respects the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.

2. The Contractor's insurance shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

G. Contractor's Insurance for Other Losses. The Contractor shall assume full responsibility for all loss or damage from any cause whatsoever to any tools, Contractor's employee owned tools, machinery, equipment, or motor vehicles owned or rented by the Contractor, or the Contractor's agents, suppliers or contractors as well as to any temporary structures, scaffolding and protective fences.

- H. Verification of Coverage. Contractor shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the Automobile Liability and Commercial General Liability insurance of the Contractor before commencement of the work.
- I. Subcontractors. Contractor shall ensure that each subcontractor of every tier obtain at a minimum the same insurance coverage and limits as stated herein for the Contractor (with the exception of Builders Risk insurance). Upon request the City, the Contractor shall provide evidence of such insurance.

14. Claims for damages.

- A. Excluded situations. City shall not be responsible for delays caused by soil conditions; underground obstructions; labor disputes; fire; delays by third parties, including public and private utilities; or reasonably foreseeable delays.
- B. Liability limited to direct costs. Contractor agrees that City's liability to Contractor for payment of claims or damages of any kind whatsoever related to this Contract shall be limited to direct costs as provided under the force account provisions of the Standard Specifications. Contractor expressly waives all claims for payment of damages that include or are computed on total costs of job performance, extended overhead, or other similar methods that are not specific as to the actual, direct costs of contract work as defined in the force account provisions of the Standard Specifications.
- C. "Damages" defined. For purposes of applying RCW 4.24.115 to this Contract, Contractor and City agree that the term "damages" applies only to a finding in a judicial proceeding and is exclusive of third party claims for damage primarily thereto.

15. Indemnification/Hold Harmless. The Contractor shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Contractor and the City, its officers, officials, employees, and volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence. IT IS FURTHER SPECIFICALLY AND EXPRESSLY UNDERSTOOD THAT THE INDEMNIFICATION PROVIDED HEREIN CONSTITUTES THE CONTRACTOR'S WAIVER OF IMMUNITY UNDER INDUSTRIAL INSURANCE, TITLE 51 RCW, SOLELY FOR THE PURPOSES OF THIS INDEMNIFICATION. THIS WAIVER HAS BEEN MUTUALLY NEGOTIATED BY THE PARTIES. The provisions of this section shall survive the expiration or termination of this Agreement. It is further agreed that all claims for damages against the City for which Contractor's insurance carrier does not accept defense of the City may be tendered by the City to Contractor, who shall then accept and settle with the claimant or defend the claim. City retains the right to approve claims investigation and

counsel assigned to said claims, and all investigation of legal work product regarding said claims shall be performed under a fiduciary relationship to the City.

16. Assigning or Subcontracting. Contractor shall not assign, transfer, subcontract or encumber any rights, duties, or interests accruing from this Agreement without the express prior written consent of the City.

17. Independent Contractor. Contractor is and shall be at all times during the term of this Agreement an independent contractor.

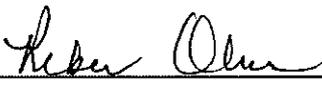
18. Disputes. Any action for claims arising out of or relating to this Agreement shall be governed by the laws of the State of Washington. Venue shall be in King County Superior Court.

19. Attorneys Fees. In any suit or action instituted to enforce any right granted in this Agreement, the substantially prevailing party shall be entitled to recover its costs, disbursements, and reasonable attorneys fees from the other party.

20. Extent of Agreement/Modification. This Agreement, together with attachments or addenda, represents the entire and integrated Agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended, modified or added to only by written instrument properly signed by both parties.

BY ITS SIGNATURE BELOW, EACH PARTY ACKNOWLEDGES HAVING READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS AGREEMENT AND AGREES TO BE BOUND BY THEM.

CITY OF BLACK DIAMOND

By: 
Print name: Rebecca Olness
Title: Mayor
Date: 9/11/12

CONTRACTOR

By: 
Print name: Lance Despain
Title: General Manager
Date: 8/27/2012

Attachments

CERTIFICATE AS TO CORPORATE PRINCIPAL

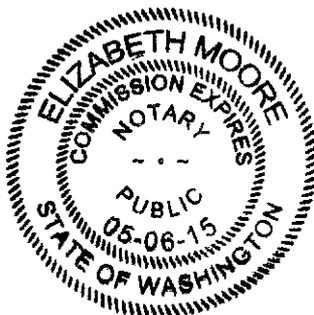
I, Lance Despain (Corporate Officer (Not Contract Signer)) certify that I am the Secretary (Corporate Title) of the corporation named as Contractor in the Agreement attached hereto; that Lance Despain, (Contract Signer) who signed said Agreement on behalf of the Contractor, was then Secretary (Corporate Title) of said corporation; that said Agreement was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

[Signature]
Corp. officer signature (not contract signer)
Lance Despain
Printed
Secretary
Title

State of Washington
County of King

Lance Despain, (corporate officer (not contract signer)) being duly sworn, deposes and says that he/she is Secretary (Corporate Title) of Northwest Asphalt, Inc (Name of Corporation)

Subscribed and sworn to before me this 27 day of August, 2012



[Signature]
Notary Public (Signature)
Elizabeth Moore
Notary Public (Print)
My commission expires 5-6-15

PERFORMANCE BOND

We Northwest Asphalt Inc. as Principal, and The Ohio Casualty Insurance Company as Surety, jointly and severally bind ourselves, our heirs, successors and assigns as set forth herein to **CITY OF BLACK DIAMOND** (hereinafter called the Owner) for payment of the penal sum of **\$71,640.55**, lawful money of the United States in connection with the Owner's award to the Contractor of a contract for construction ("Contract") of the following project:

2012 ROADWAY GRIND, PATCH AND CRACK SEALING PROJECT

THE CONDITION OF THIS OBLIGATION IS SUCH that if the Contractor shall in all respects faithfully perform all obligations and provisions in the said Contract, this obligation shall become null and void; otherwise, it shall remain in full force and effect, and Surety shall defend and indemnify Owner against any loss or damage due to the failure of the Principal to strictly perform all obligations of the Contract.

This bond shall remain in force for a period of at least two years after the Substantial Completion Date of the project, with respect to defective workmanship and materials, and shall otherwise secure all other obligations of the Contractor throughout any other periods of limitation or repose.

This bond is provided pursuant to and in compliance with R.C.W. Chapter 39.08, the terms and requirements of which statute are incorporated herein as though fully set forth.

Surety agrees that no change, extension of time, modification, or addition to the terms of the Contract, or the work to be performed thereunder, or to the specifications shall in any way affect its obligation on this bond, and it hereby waives notice thereof.

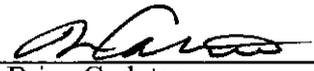
The Contractor and Surety agree that if the Owner is required to engage the services of an attorney in connection with the enforcement of this bond, each shall be jointly and severally liable to pay the Owner reasonable attorney's fees, costs and expenses incurred, with or without suit, in addition to the penal sum.

Surety certifies that it is an authorized surety bond issuer, properly authorized to transact surety business in Washington. Surety agrees to be bound by the laws of the State of Washington and subject itself to the jurisdiction of the courts of the State of Washington.



Executed in four original counterparts on August 28, _____, 2012

Northwest Asphalt Inc.
CONTRACTOR

By 
Brian Carleton

Controller
(title)

(Attach acknowledgment of authorized representative of Contractor).

Any claims under this bond made in accordance with R.C.W. 39.08 may be addressed to:

The Ohio Casualty Insurance Company (Name and address of Surety)

1001 4th Avenue

Seattle, WA 98154

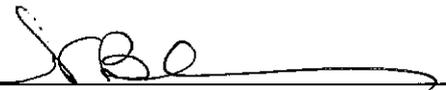
Conover Insurance (Name and address of Surety's agent for service of process
in Washington if different from above)

11250 Kirkland Way, Suite 100

Kirkland, WA 98033 (425)822-3500 (Telephone No. of Surety's Washington agent)

(Attach acknowledgment)

The Ohio Casualty Insurance Company
Surety

By 
Its Attorney-in-Fact - Nancy Blackwell

NOTICE:

Sureties must be authorized to conduct surety business in Washington and have an agent for service of process in Washington. Certified copy of Power of Attorney must be attached.

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

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

5442418

Certificate No. _____

American Fire and Casualty Company
The Ohio Casualty Insurance Company
West American Insurance Company
Liberty Mutual Insurance Company
Peerless Insurance Company

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That American Fire & Casualty Company and The Ohio Casualty Insurance Company are corporations duly organized under the laws of the State of Ohio, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, that Peerless Insurance Company is a corporation duly organized under the laws of the State of New Hampshire, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, **KIM M. SANTOS; MARY PALMER; MATT NEWTON; MICHAEL FREEMAN; NANCY BLACKWELL; PATRICIA BALL; SAMANTHA DAVENPORT**

all of the city of KIRKLAND, state of WA each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 22nd day of June, 2012.



American Fire and Casualty Company
The Ohio Casualty Insurance Company
Liberty Mutual Insurance Company
Peerless Insurance Company
West American Insurance Company

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

STATE OF WASHINGTON ss
COUNTY OF KING

On this 22nd day of June, 2012, before me personally appeared Gregory W. Davenport, who acknowledged himself to be the Assistant Secretary of American Fire and Casualty Company, Liberty Mutual Insurance Company, The Ohio Casualty Company, Peerless Insurance Company and West American Insurance Company, and that he, as such, being authorized so to do, execute 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 have hereunto subscribed my name and affixed my notarial seal at Seattle, Washington, on the day and year first above written.



By: KD Riley
KD Riley, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, West American Insurance Company and Peerless Insurance Company, which resolutions are now in full force and effect reading as follows:

ARTICLE IV – OFFICERS – Section 12. Power of Attorney. Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII – Execution of Contracts – SECTION 5. Surety Bonds and Undertakings. Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation – The President of the Company, acting pursuant to the Bylaws of the Company, authorizes Gregory W. Davenport, Assistant Secretary to appoint such attorney-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization – By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, David M. Carey, the undersigned, Assistant Secretary, of American Fire and Casualty Company, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, West American Insurance Company and Peerless Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, 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 28th day of August, 20 12.



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

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

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