

PROFESSIONAL SERVICES AGREEMENT

This Agreement dated as of November 2nd, 2010, is made by and between Kittitas County (hereinafter "the County") and MRM Construction, INC (hereinafter "Contractor"). The County and Contractor agree as follows:

General Conditions; Exhibit A (Scope of Work); Exhibit B (Compensation); Exhibit C (Proof of Insurance).

copies of which are attached hereto and incorporated herein by this reference as fully as if set forth herein.

The term of this Agreement shall commence on the second day of November 2010, and continue until completion of the project. Any party may terminate this Agreement by giving thirty (30) days notice in writing either personally delivered or mailed postage-prepaid by certified mail, return receipt requested, to the party's last known address for the purposes of giving notice under this paragraph.

Contractor acknowledges and by signing this Agreement agrees that the Indemnification provisions set forth in Paragraphs 7 (Independent Contractor), 9 (Taxes), 15 (Defense and Indemnity Agreement), 21 (Patent/Copyright Infringement) and 24 (Confidentiality), are totally and fully part of this Agreement and have been mutually negotiated by the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement this 2nd day of November, 2010.

APPROVED:

MRM Construction, INC
PO Box #838
Ellensburg, WA 98926



Signature of Signatory
(Date 11-2-10)

DIRECTOR OF PUBLIC WORKS
KITITITAS COUNTY, WASHINGTON



Kirk Holmes, Director

Michael Forman

Print Name of Signatory

Approved as to Form:

By: _____
Deputy Prosecuting Attorney

Contractor Address:

MRM Construction, INC
PO Box #838
Ellensburg, WA 98926

County's Address:

Kittitas County
205 West 5th Avenue, Suite 108
Ellensburg, WA 98926

Project Contact:

Mike Forman

Project Contact:

Tom Kelley – Construction Manager

GENERAL CONDITIONS

1. Scope of Contractor's Services:

Contractor agrees to provide to the County services and any materials set forth in the project narrative identified in Exhibit "A" during the Agreement period. No material, labor, or facilities will be furnished by the County, unless otherwise provided for in the Agreement.

2. Performance of Work:

Contractor shall perform work in accordance with, and shall comply with, all of the provisions of this Agreement. All work shall comply with applicable codes and ordinances.

3. Schedule of Performance:

Unless directed otherwise by the County, Contractor shall perform the work in accordance with any schedules made a part of this Agreement.

4. Definitions:

- 4.1 "Additional Insured's" means the County, its successors and assigns, and the respective directors, officers, employees, agents and representatives of the County and its successors and assigns.
- 4.2 "Support" means the following: Contractor's directors, officers, employees, agents and representatives; and sub-Contractors of any tier; the respective directors, officers, employees, agents and representatives of these sub-Contractors of any tier; and any other person or entity acting under the direction or control of, or on behalf of, Contractor or any Contractor's sub-Contractors of any tier in connection with or incident to the performance of the Work or this Agreement.
- 4.3 The "Work" means all of the duties listed in Exhibit A and the performance of all other obligations, under this Agreement by Contractor or its Support.

5. Accounting and Payment for Contractor Services:

Payment to the Contractor for services rendered under this Agreement shall be as set forth in Exhibit "B". Where Exhibit "B" requires payments by the County, payment shall be based upon billings, supported unless otherwise provided in Exhibit "B", by documentation of units of work actually performed and amounts earned, including where appropriate, the actual number of days worked each month, total number of hours for the month, and the total dollar payment requested. Unless specifically stated in Exhibit "B" or approved in writing in advance by the Kittitas County Board of Commissioners, the County will not reimburse the Contractor for any costs or expenses incurred by the Contractor in performance of this Agreement.

Where required, the County shall, upon receipt of appropriate documentation, compensate the Contractor, no more often than monthly, through the County voucher system, for the Contractor's service pursuant to the fee schedule set forth in Exhibit "B".

6. Assignment and Subcontracting:

No portion of this Agreement may be assigned or subcontracted to any other individual, firm or entity without the express and prior written approval of the County.

7. Independent Contractor:

The Contractor's services shall be furnished by the Contractor as an independent Contractor and nothing herein contained shall be construed to create a relationship of employer-employee or master-servant, but all payments made hereunder and all services performed shall be made and performed pursuant to this Agreement by the Contractor as an independent Contractor.

The Contractor acknowledges that the entire compensation for this Agreement is specified in Exhibit "B" and the Contractor is not entitled to any County benefits including, but not limited to: vacation pay, holiday pay, sick leave pay, medical, dental, or other insurance benefits, or any other rights or privileges afforded to Kittitas County employees.

Contractor will defend, indemnify and hold harmless the County, its Additional Insured's, officers, agents or employees from any loss or expense, including but not limited to settlements, judgments, setoffs, attorneys' fees or costs incurred by reason of claims or demands because of breach of the provisions of this paragraph.

8. No Guarantee of Employment:

The performance of all or part of this Agreement by the Contractor shall not operate to vest any employment rights whatsoever and shall not be deemed to guarantee any employment of the Contractor or any employee of the Contractor or any sub-Contractor or any employee of any sub-Contractor by the County at the present time or in the future.

9. Taxes:

The Contractor understands and acknowledges that the County will not withhold Federal or State income taxes. Where required by State or Federal law, the Contractor authorizes the County to make withholding for any taxes other than income taxes (i.e. Medicare). All compensation received by the Contractor will be reported to the Internal Revenue Service at the end of the calendar year in accordance with the applicable IRS regulations. It is the responsibility of the Contractor to make the necessary estimated tax payments throughout the year, if any, and the Contractor is solely liable for any tax obligation arising from the Contractor's performance of this Agreement. The Contractor hereby agrees to indemnify the County against any demand to pay taxes arising from the Contractor's failure to pay taxes on compensation earned pursuant to this Agreement.

The County will pay sales and use taxes imposed on goods or services acquired hereunder as required by law. The Contractor must pay all other taxes including, but not limited to: Business and Occupation Tax, taxes based on the Contractor's gross or net income, or personal property to which the County does not hold title. The County is exempt from Federal Excise Tax.

10. Regulations and Requirement:

This Agreement shall be subject to all laws, rules and regulations of the United States of America, and State of Washington, and political subdivisions of the State of Washington, and to any other provisions set forth herein or in the attached exhibits.

11. Right to Review:

This contract is subject to review by any Federal or State auditor. The County or its designee shall have the right to review and monitor the financial and service components of this program by whatever means are deemed expedient by the County. Such review may occur with or without notice, and may include, but is not limited to, on-site inspection by County agents or employees, inspection of all records or other materials which the County deems pertinent to the Agreement and its performance, and any and all communications with or evaluation by service recipients under this Agreement. The Contractor shall preserve and maintain all financial records and records relating to the performance of work under this Agreement for 6 years after contract termination, and shall make them available for such review, within Kittitas County, State of Washington, upon request.

12. Modifications:

- 12.1 Either party may request changes in the Agreement. Any and all agreed modifications shall be in writing, signed by each of the parties.
- 12.2 The County may, at any time, by written notice thereof to Contractor ("Change Notice") makes changes in the Work within the general scope of this Agreement, including, but not limited to: (a) changes in, revisions to, substitutions for, additions to or deletions of any Work; (b) changes in schedule; and (c) acceleration, deceleration or suspension of performance of any Work.
- 12.3 If any change in the Work causes an increase or decrease on Contractor's cost of, or the time required for, performance of the Work, an equitable adjustment in the compensation to Contractor and in the schedule for the performance of the Work shall be made to reflect such an increase or decrease.
- 12.4 Notwithstanding any dispute or delay in arriving at a mutually acceptable equitable adjustment, Contractor shall proceed in accordance with all Change Notices. Contractor must, within thirty (30) days after receipt of any

Change Notice that does not set forth any acceptable adjustment, submit to the County a written statement setting forth any adjustment claimed.

- 12.5 If any change results in a decrease in the Work performed, Contractor shall be entitled to compensation associated with changing the Work, such as revising design already completed, revising calculations already performed, and revising documents.

13. Termination for Default:

If the Contractor defaults by failing to perform any of the obligations of the Agreement or becomes insolvent or is declared bankrupt or commits any act of bankruptcy or insolvency or makes an assignment for the benefit of creditors, the County may, by depositing written notice to the Contractor in the U.S. mail, postage prepaid, terminate the Agreement, and at the County's option, obtain performance of the work elsewhere. If the Agreement is terminated for default, the Contractor shall not be entitled to receive any further payments under the Agreement until all work called for has been fully performed. Any extra cost or damage to the County 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 County in completing the work, and all damage sustained, or which may be sustained by the County by reason of such default.

If a notice of termination for default has been issued and it is later determined for any reason that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to the Termination for Public Convenience paragraph hereof.

14. Termination for Public Convenience:

The County may terminate the Agreement in whole or in part whenever the County determines, in its sole discretion that such termination is in the best interests of the County. Whenever the Agreement is terminated in accordance with this paragraph, the Contractor shall be entitled to payment for actual work performed at unit contract prices for completed items of work. In the event of such termination, an equitable adjustment shall be made in the compensation payable to Contractor.

An equitable adjustment in the contract price for partially completed items of work will be made, but such adjustment shall not include provision for loss of anticipated profit on deleted or uncompleted work. Termination of this Agreement by the County at any time during the term, whether for default or convenience, shall not constitute a breach of contract by the County.

15. Defense & Indemnity Agreement:

The Contractor agrees to and shall defend, indemnify and hold harmless the County, its Additional Insured's, appointed and elective officers, agents and employees, from and

against all loss or expense, including but not limited to judgments, settlements, attorney's fees and costs by reason of any and all claims and demands upon the County, its Additional Insured's, its elected or appointed officials, agents, or employees for damages because of personal or bodily injury, including death at any time resulting therefrom, sustained by any person or persons and on account of damage to property including loss of use thereof, whether such injury to persons or damage to property is due to the negligence of the Contractor, its sub-Contractors, its elected officers, employees or their agents, except only such injury or damage as shall have been occasioned by the sole negligence of the County, its Additional Insured's, appointed or elected officials, agents, or employees. It is further provided that no liability shall attach to the County by reason of entering into this contract, except as expressly provided herein.

16. Industrial Insurance Waiver:

With respect to the performance of this Agreement and as to claims against the County, its Additional Insured's, officers, agents and employees, the Contractor expressly waives its immunity under Title 51 of the Revised Code of Washington, the Industrial Insurance Act, for injuries to its employees and agrees that the obligations to indemnify, defend and hold harmless provided in this agreement extend to any claim brought by or on behalf of any employee of the Contractor. **This waiver is mutually negotiated by the parties to this Agreement.**

17. Venue and Choice of Law:

In the event that any litigation should arise concerning the construction or interpretation of any of the terms of this Agreement, the venue of such action of litigation shall be in the Superior Court of the State of Washington in and for the County of Kittitas. This Agreement shall be governed by the law of the State of Washington.

18. Withholding Payment:

In the event the Contractor has failed to perform any obligation to be performed by the Contractor under this Agreement within the time set forth in this Agreement, then the County may, upon written notice, withhold all monies due and payable to Contractor, without penalty, until such failure to perform is cured or otherwise adjudicated.

19. Future Non-Allocation of Funds:

If sufficient funds are not appropriated or allocated for payment under this Agreement for any future fiscal period, the County will not be obligated to make payments for services or amounts incurred after the end of the current fiscal period. No penalty or expense shall accrue to the County in the event this provision applies.

20. Contractor Commitments, Warranties and Representations:

The Contractor represents and warrants to the County as follows:

- 20.1 The Contractor is duly incorporated, validly existing and in good standing under the laws of the State of Washington, and has all requisite corporate

- power and authority to enter into and to perform its obligations under this Agreement.
- 20.2 The Contractor has the authority to execute this Agreement, to make the representations and warranties set forth in it and to perform the obligations of the Contractor under this Agreement in accordance with its terms.
- 20.3 This Agreement has been validly executed by an authorized representative of the Contractor and constitutes a valid and legally binding and enforceable obligation of Contractor.
- 20.4 The Contractor has or will obtain prior to the commencement date such licenses, permits and other authorizations from federal, state and other governmental authorities, as are necessary for the performance of its obligations under this Agreement.
- 20.5 The Contractor is not in violation of any applicable law, ordinance or regulation the consequence of which will or may materially affect Contractor's ability to perform its obligations under this Agreement. The Contractor is not subject to any order or judgment of any court, tribunal or governmental agency which materially and adversely affects its operations or assets in the State of Washington, or its ability to perform its obligations under this Agreement.
- 20.6 None of the representations or warranties in this Agreement, and none of the documents, statements, certificates or schedules furnished or to be furnished by Contractor pursuant hereto or in connection with the performance of the obligations contemplated under this Agreement, contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements of fact contained therein not misleading.

21. Patent/Copyright Infringement:

Contractor will defend and indemnify the County from any claimed action, cause or demand brought against the County; to the extent such action is based on the claim that information supplied by the Contractor infringes any patent or copyright. The Contractor will pay those costs and damages attributable to any such claims that are finally awarded against the County in any action. Such defense and payments are conditioned upon the following:

- 21.1 Contractor shall be notified promptly in writing by County of any notice of such claim.
- 21.2 Contractor shall have the right, hereunder, at its option and expense, to obtain for the County the right to continue using the information, in the event such claim of infringement is made, provided no reduction in performance or loss results to the County.

22. Disputes:

22.1 General

Differences between the Contractor and the County, arising under and by virtue of the Agreement Documents shall be brought to the attention of the County at the earliest possible time in order that such matters may be settled or other appropriate action promptly taken. Except for such objections as are made of record in the manner hereinafter specified and within the time limits stated, the records, orders, instructions, and decisions of the Kittitas County Commissioners shall be final and conclusive.

22.2 Notice of Potential Claims

The Contractor shall not be entitled to additional compensation which otherwise may be payable, or to extension of time for (1) any act or failure to act by the County, or (2) the happening of any event or occurrence, unless the Contractor has given the County a written Notice of Potential Claim within ten (10) days of the commencement of the act, failure, or event giving rise to the claim, and before final payment by the County. The written Notice of Potential Claim shall set forth the reasons for which the Contractor believes additional compensation or extension of time is due, the nature of the cost involved, and insofar as possible, the amount of the potential claim. Contractor shall keep full and complete daily records of the work performed, labor and material used, and all costs and additional time claimed to be additional.

22.3. Detailed Claim

The Contractor shall not be entitled to claim any such additional compensation, or extension of time, unless within thirty (30) days of the completion of the portion of the work from which the claim arose, and before final payment by the County, the Contractor has given the County a detailed written statement of each element of cost or other compensation requested and of all elements of additional time required, and copies of any supporting documents evidencing the amount or extension of time claimed to be due.

23. Ownership of Items Produced:

All writings, programs, data, public records or other materials prepared by the Contractor and/or its consultants or sub-Contractors, in connection with performance of this Agreement shall be the sole and absolute property of the County.

24. Confidentiality:

The Contractor, its employees, sub-Contractors, and their employees shall maintain the confidentiality of all information provided by the County or acquired by the Contractor in performance of this Agreement, except upon the prior written consent of the Kittitas County Prosecuting Attorney or an order entered by a court after having acquired jurisdiction over the County. Contractor shall immediately give to the County notice of any judicial proceedings seeking disclosure of such information. Contractor shall indemnify and hold harmless the County, its Additional Insured's, officials, agents or employees from

all loss or expense, including, but not limited to settlements, judgments, setoffs, attorneys' fees and costs resulting from Contractor's breach of this provision.

25. Notice:

Except as set forth elsewhere in the Agreement, for all purposes under this Agreement, except service of process, notice shall be given by the Contractor to the department head of the department for whom services are rendered, and to the Kittitas County Commissioners, 205 W 5th Ave, Suite 108, Ellensburg, WA 98926. Notice to the Contractor for all purposes under this Agreement shall be given to the address reflected on the signature page. Notice may be given by delivery or by depositing in the U.S. Mail, first class, postage prepaid.

26. Severability:

If any term or condition of this Agreement or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this Agreement are declared severable.

27. Miscellaneous:

- 27.1 The County's failure or delay to insist upon strict performance of any of the provisions of this Agreement or to exercise any rights or remedies under this Agreement shall not be construed as a waiver or relinquishment to any extent of its right to assert or rely upon any such provisions, rights or remedies in that or any other instance; rather the same shall be and remain in full force and effect.
- 27.2 This Agreement embodies the entire Agreement between the County and Contractor, and supersedes any and all prior agreements, regarding the Work. No change, amendment or modification of any provisions of this Agreement shall be valid unless set forth in a written instrument signed by the party to be bound thereby.
- 27.3 The rights and remedies of the County set forth in any provision of this Agreement are in addition to and do not in any way limit any other rights of remedies afforded to the County by any other provisions of this Agreement, by any of Contractor's Support or by law.
- 27.4 The headings of sections and paragraphs of this Agreement are for convenience of reference only and are not intended to restrict, affect or be of any weight in the interpretation or construction of the provisions of such sections or paragraphs.

28. Waiver:

Waiver of any breach or condition of this Agreement shall not be deemed a waiver of any prior or subsequent breach. No terms or conditions of this Agreement shall be held to be waived, modified or deleted except by an instrument, in writing, signed by the parties hereto.

29. Survival:

The provisions of paragraphs 7, 9, 11, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 28, 30, and 31, shall survive, notwithstanding the termination or invalidity of this Agreement for any reason.

30. Nondiscrimination:

30.1 The County is an equal opportunity employer.

30.2 Nondiscrimination in Employment

In the performance of this Agreement, the Contractor will not discriminate against any employee or applicant for employment on the grounds of race, creed, color, national origin, sex, sexual orientation, marital status, age or the presence of any sensory, mental or physical handicap; provided that the prohibition against discrimination in employment because of handicap shall not apply if the particular disability prevents the proper performance of the particular worker involved. The Contractor shall ensure that applicants are employed, and that employees are treated during employment without discrimination because of their race, creed, color, national origin, sex, sexual orientation, marital status, age or the presence of any sensory, mental or physical handicap. Such action shall include, but not be limited to: employment, upgrading, demotion or transfers, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and programs for training including apprenticeships. The Contractor shall take such action with respect to this Agreement as may be required to ensure full compliance with local, state and federal laws prohibiting discrimination in employment.

30.3 Nondiscrimination in Services

The Contractor will not discriminate against any recipient of any services or benefits provided for in this Agreement on the grounds of race, creed, color, national origin, sex, sexual orientation, marital status, age or the presence of any sensory, mental or physical handicap.

30.4 If any assignment and/or subcontracting has been authorized by the County, said assignment or subcontract shall include appropriate safeguards against discrimination. The Contractor shall take such action as may be required to ensure full compliance with the provisions in the immediately preceding paragraphs herein.

31. Prevailing Wage:

Contractor shall pay the prevailing rate of wages to all workers, laborers, or mechanics employed in the performance of any part of the Work in accordance with RCW 39.12 and the rules and regulations of the Department of Labor and Industries. The schedule of prevailing wages rates for the locality or localities of the Work is determined by the Industrial Statistician of the Department of Labor and Industries. It is the Contractor's responsibility to verify the applicable prevailing wage rate. It is understood that the Contractor is responsible for obtaining and completing all required government forms and submitting same to the proper authorities.

Disputes regarding prevailing wage rates shall be referred for arbitration to the Director of the Department of Labor and Industries. The arbitration decision shall be final and conclusive and binding on all parties involved in the dispute as provided for by RCW 39.12.060.

EXHIBIT "A"

SCOPE OF WORK

In addition to providing all material and labor, the Contractor shall perform the following:

DESCRIPTION OF WORK:

The work to be performed under this contract consists of furnishing all labor, materials and equipment to construct 2010 Bridge Replacement Program in accordance with the Plans, Special Provisions and the WSDOT Standard Specifications shall be supplemented with the following:

GENERAL SPECIFICATIONS:

There are three (3) sites include in this contract. Each site has a specific Road Closure / Detour plan included for each site that will need to be coordinated with contractor's proposed progress schedule. There are 2 (two) utilities with facility at these sites. These are PSE (power) with aerial plant on timber poles, and Fairpoint (telephone) with direct buried plant. These franchises are aware that relocation will be required and will coordinate with contract activities.

Badger Pocket RD #79241 shall include removal of existing structure and replacement with Pre-cast Concrete Box Culvert 24' span.

Cleman RD #79251 shall include removal of existing structure and replacement with Aluminum Culvert Arch Pipe 81" span.

Carroll RD #70182 shall include removal of existing structure and replacement with Aluminum Culvert Arch Pipe 117" span.

Please be advised that these are irrigation crossings, and headwaters will be shut down on October 15, 2010.

Project shall be started on November 29, 2010. Final acceptance of project shall be on or before January 18, 2011 for 35 working days total.

All labor is subject to Washington Department of Labor and Industry prevailing wage rates. Contractor will provide Statement of Intent to pay Prevailing Wage prior to commencing on site activities, and Affidavit of Wages Paid upon completion of project.

County Provided:

Project Survey control staking. Project Laboratory & Field testing of materials.
Public notice of Road Closures

EXHIBIT "B"

COMPENSATION

As full compensation for satisfactory performance of the work, the County shall pay Contractor compensation not to exceed:

\$245,188.27

EXHIBIT "C"

The Contractor shall secure and maintain in effect at all times during performance of the Work such insurance as will protect Contractor, its Support and the Additional Insured's from all claims, losses, harm, costs, liabilities, damages and expenses arising out of personal injury (including death) or property damage that may result from performance of the work or this Agreement, whether such performance is by Contractor or any of its Support.

All insurance shall be issued by companies admitted to do business in the State of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best's Reports unless otherwise approved by the County. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and 284-15 WAC.

The Contractor shall provide proof of insurance for:

- 1) Commercial General Liability Insurance.
 - Coverage limits not less than:
 - \$1,000,000 per occurrence per project
 - \$2,000,000 general aggregate
 - \$1,000,000 products & completed operations aggregate
 - \$1,000,000 personal and advertising injury, each offense

- Certificate Holder – Kittitas County
- The Certificate must name the County as additional insured as defined in the Agreement
- Thirty (30) days written notice to the County of cancellation of the insurance policy.

2) Stop Gap/Employers Liability.

- Coverage limits not less than:
 - \$1,000,000 each accident
 - \$1,000,000 disease – policy limit
 - \$1,000,000 disease – each employee
- Thirty (30) days written notice to the County of cancellation of the insurance policy.

3) Commercial Automobile Liability Insurance.

- Automobile Liability for owned, non-owned, hired, and leased vehicles, with an MCS 90 endorsement and a CA 9946 endorsement attached if 'pollutants' are to be transported.
- Coverage limits not less than:
 - \$1,000,000 combined single limit
- Thirty (30) days written notice to the County of cancellation of the insurance policy.

4) Excess or Umbrella Liability.

- The Contractor shall provide Excess or Umbrella Liability coverage at limits of \$1,000,000 per occurrence and \$2,000,000 annual aggregate. This Excess or Umbrella Liability coverage shall apply, at a minimum, to both the Commercial General and Auto Insurance policy coverage.
- This requirement may be satisfied instead through the Contractor's primary Commercial General and Automobile Liability coverage, or any combination thereof.

5) Workers' Compensation.

- Workers' Compensation in amounts required by law.

6) Pollution Liability.

- The Contractor shall provide a Pollution Liability policy, providing coverage for claims involving bodily injury, property damage (including loss of use of tangible property that has not been physically injured), cleanup costs, remediation, disposal or other handling of pollutants, including costs and expenses incurred in the investigation, defense, or settlement of claims arising out of:
 - Contractor's operations related to this project; and/or

- Remediation, abatement, repair, maintenance or other work with lead-based paint or materials containing asbestos; and/or
- Transportation of hazardous materials away from any site related to this project
- Such Pollution Liability policy shall provide the following minimum coverage:
 - \$1,000,000 each loss and
 - \$3,000,000 annual aggregate

7) Professional Liability. (Required for Engineers and Architects)

- The Contractor and/or its Subcontractor and/or its design consultant providing construction management, value engineering, or any other design-related non-construction professional services shall provide evidence of Professional Liability Insurance covering professional errors and omissions. Such policy must provide the following minimum limits:
 - \$3,000,000 per Claim
 - \$5,000,000 annual aggregate
- If the scope of such design-related professional services includes work related to pollution conditions, the Professional Liability insurance shall include Pollution Liability coverage
- If insurance is on a claims-made form, its retroactive date, and that of all subsequent renewals, shall be no later than the effective date of this Agreement.

Contractor shall furnish the County a certificate of insurance with Endorsement as evidence that policies providing insurance required by this Agreement are in full force and effect.

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.

The Contractor shall have sole responsibility for determining the insurance coverage and limits required, if any, to be obtained by subcontractors, which determination shall be made in accordance with reasonable and prudent business practices.

NOTE: No contract shall form until and unless a copy of the Certificate of Insurance with Endorsement, properly completed and in the amount required, is attached hereto.

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS: that MRM Construction, Inc. (Name of Contractor) PO Box 838, Ellensburg, WA 98926 (Address of Contractor) a Corporation, (Corporation, Partnership or Individual) hereinafter called PRINCIPAL and Safeco Insurance Company of America (Address of Surety) (Name of Surety), hereinafter called SURETY, are held and firmly bound unto KITITAS COUNTY, 411 North Ruby, Suite 1, Ellensburg, Washington 98926, hereinafter called OWNER in the total aggregate penal sum of Dollars (\$ 245,188.27) in lawful money of the United State, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents: *Two Hundred Forty Five Thousand One Hundred Eighty Eight Dollars & 27/100

-\$245,188.27-

THE CONDITION OF THIS OBLIGATION is such that whereas, the Principal entered into a certain contract with the OWNER, dated the 2nd day of November, 2010, a copy of which is hereto attached and made a part hereof for the construction of: 2010 Bridge Replacement Program

NOW, THEREFORE, if the Principal shall well, truly and faithfully perform its duties, all the undertakings, covenants, terms, conditions, and agreements of said contract during the original term thereof, and any extensions thereof which may be granted by the OWNER, with or without notice to the SURETY and during the one year guaranty period and if the PRINCIPAL shall satisfy all claims and demands incurred under such contract, and shall fully indemnify and save harmless the OWNER from all costs and damages which it may suffer by reason of failure to do so, and shall reimburse and repay the OWNER all outlay and expense which the OWNER may incur in making good any default, then this obligation shall be void, otherwise to remain in full force and effect.

PROVIDED, FURTHER, that the said SURETY, for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to WORK to be performed thereunder or the SPECIFICATIONS accompanying same shall in any way affect its obligation on this BOND, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the WORK or to the SPECIFICATIONS.

PROVIDED, FURTHER, that it is expressly agreed that the BOND shall be deemed amended automatically and immediately, without formal and separate amendments hereto, upon amendment to the Contract not increasing the contract price more than 20 percent, so as to bind the PRINCIPAL and the SURETY to the full and faithful performance of the CONTRACT as so amended. The term "Amendment", wherever used in this BOND, and whether referring to this BOND, the Contract or the Loan Documents shall include any alteration, addition, extension, or modification of any character whatsoever.

PROVIDED, FURTHER, that no final settlement between the OWNER and the PRINCIPAL shall abridge the right of the other beneficiary hereunder, whose claim may be unsatisfied. the OWNER is the only beneficiary hereunder.

WITNESS WHEREOF, this instrument is executed in 1 counterparts, each of which shall be deemed an original, this the 2nd day of November, 2010.

Bond #69S301467

ATTEST:

Larry Gonzalez
(Principal) Secretary

(SEAL)

T. Boen
Witness to Principal

PO Box 838
Address
Ellensburg WA 98926

ATTEST:

S. B. K.
Witness to Surety

PO Box 3018
Address
Bothell, WA 98041-3018

MRM Construction, Inc.

Principal

By *Michael J. Roman* (s)

PO Box 838

Address

Ellensburg, WA 98926

Safeco Insurance Company of America

Surety

By *Brett N. Meier*
Attorney-in-Fact, Brett N. Meier

PO Box 3018

Address

Bothell, WA 98041-3018

PAYMENT BOND

KNOW ALL PERSONS BY THESE PRESENTS: that MRM Construction, Inc. (Name of Contractor) PO Box 838, Ellensburg, WA 98926 (Address of Contractor) a Corporation (Corporation, Partnership or Individual), hereinafter called PRINCIPAL and Safeco Insurance Company of America (Name of Surety) PO Box 3018, Bothell, WA 98041-3018 (Address of Surety) hereinafter called SURETY, are held and firmly bound unto KITTITAS COUNTY, 411 North Ruby, Suite 1, Ellensburg, Washington 98926, hereinafter called OWNER and unto all persons, firms, and corporations who or which may furnish labor, or who furnish materials to perform as described under the contract and to their successors and assigns in the total aggregate penal sum of ** Dollars (\$245,188.27) in lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

**Two Hundred Forty Five Thousand One Hundred Eighty Eight Dollars & 27/100

THE CONDITION OF THIS OBLIGATION is such that whereas, the PRINCIPAL entered into a certain contract with the OWNER, dated the 2nd day of November 2010, a copy of which is hereto attached and made a part hereof for the construction of:

2010 Bridge Replacement Program

NOW, THEREFORE, if the PRINCIPAL shall promptly make payment to all persons, firms, and corporations furnishing materials for or performing labor in the prosecution of the WORK provided for in such contract, and any authorized extensions or modification thereof, including all amounts due for materials, lubricants, oil, gasoline, coal and coke, repairs on machinery, equipment and tools, consumed or used in connection with the construction of such WORK, and for all labor cost incurred in such WORK including that by a SUBCONTRACTOR, and to any mechanic or materialman lienholder whether it acquires its lien by operation of State or Federal law; then this obligation shall be void, otherwise to remain in full force and effect.

PROVIDED, that beneficiaries or claimants hereunder shall be limited to the SUBCONTRACTORS, and persons, firms, and corporations having a direct contract with the PRINCIPAL or its SUBCONTRACTORS.

PROVIDED, FURTHER, that the said SURETY for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the WORK to be performed thereunder or the SPECIFICATIONS accompanying the same shall in any way affect its obligation on this BOND, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of this contract or to the WORK or to the SPECIFICATIONS.

PROVIDE, FURTHER, that no suit or action shall be commenced hereunder by any claimant: (a) Unless claimant, other than one having a direct contract with the PRINCIPAL shall have given written notice to any two of the following: The PRINCIPAL, the OWNER, 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 served by mailing the same by registered mail or certified mail, postage prepaid, in an envelope addressed to the PRINCIPAL, OWNER, or SURETY, at any place where an office is regularly maintained for the transaction of business, or served in any manner in which legal process may be served in the state in which the aforesaid project is located, save that such service need not be made by a public officer. (b) After the expiration of one (1) year following the date of which PRINCIPAL ceased work on said CONTRACT, is being understood, however, that if any limitation embodied in the BOND is prohibited by any law controlling the construction hereof, such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

PROVIDED, FURTHER, that it is expressly agreed that this BOND shall be deemed amended automatically and immediately, without formal and separate amendments hereto upon amendment to the Contract not increasing the contract price more than 20 percent, so as to bind the PRINCIPAL and the SURETY to the full and faithful performance of the Contract as so amended. The term "Amendment", wherever used in this BOND and whether referring to this BOND, the contract or the loan Documents shall include any alteration, addition, extension or modification of any character whatsoever.

PROVIDED, FURTHER, that no final settlement between the OWNER and the CONTRACTOR shall abridge the right of any beneficiary hereunder, whose claim may be unsatisfied.

WITNESS WHEREOF, this instrument is executed in 1 counterparts, each of which shall be deemed an original, this the 2nd day of November, 2010.

ATTEST:

Kerry Wampler
(Principal) Secretary

(SEAL)

P. Box
Witness to Principal
PO Box 838
Address
Ellensburg WA 98926

ATTEST:

J & K.
Witness as to Surety
PO Box 3018
Address
Bothell, WA 98041-3018

MRM Construction, Inc.
Principal

By [Signature] (S)
PO Box 838
Address
Ellensburg, WA 98926

Safeco Insurance Company of America
Surety

By [Signature]
Attorney-in-Fact, Brett N. Meier
PO Box 3018
Address
Bothell, WA 98041-3018

NOTE: Date of BOND must not be prior to date of Contract.

IF CONTRACTOR is partnership, all partners should execute BOND.

IMPORTANT: Surety companies executing BONDS must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the State where the Project is located.

POWER
OF ATTORNEY

No. 7351

KNOW ALL BY THESE PRESENTS:

That **SAFECO INSURANCE COMPANY OF AMERICA** and **GENERAL INSURANCE COMPANY OF AMERICA**, each a Washington corporation, does each hereby appoint

*****BRANDON K. BUSH; STEVEN K. BUSH; M. J. COTTON; JIM W. DOYLE; CHAD M. EPPLER;
JULIE M. GLOVER; DARLENE JAKIELSKI; JIM S. KUICH; THERESA A. LAMB; BRETT N. MEIER; MICHAEL A. MURPHY;
NANCY J. OSBORNE; ANDY D. PRILL; S. M. SCOTT; STEVE WAGNER; Bothell, Washington*****

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, **SAFECO INSURANCE COMPANY OF AMERICA** and **GENERAL INSURANCE COMPANY OF AMERICA** have each executed and attested these presents

this 20th day of April, 2010

Dexter R. Legg

Timothy A. Mikolajewski

Dexter R. Legg, Secretary

Timothy A. Mikolajewski, Vice President

CERTIFICATE

Extract from the By-Laws of **SAFECO INSURANCE COMPANY OF AMERICA**
and of **GENERAL INSURANCE COMPANY OF AMERICA**:

"Article V, Section 13. - FIDELITY AND SURETY BONDS ... the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business... On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of **SAFECO INSURANCE COMPANY OF AMERICA**
and of **GENERAL INSURANCE COMPANY OF AMERICA** adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
- (ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
- (iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Dexter R. Legg, Secretary of **SAFECO INSURANCE COMPANY OF AMERICA** and of **GENERAL INSURANCE COMPANY OF AMERICA**, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 2nd day of November, 2010



Dexter R. Legg

Dexter R. Legg, Secretary



CERTIFICATE OF LIABILITY INSURANCE

OP ID: ME

DATE (MM/DD/YYYY)

11/03/10

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 Hub International Northwest P. O. Box 3018 Bothell, WA 98041-3018 Steve Bush	425-489-4500 425-489-4501	CONTACT NAME: PHONE (A/C, No, Ext): E-MAIL ADDRESS: PRODUCER CUSTOMER ID #: MRMCO01	FAX (A/C, No):
INSURED MRM Construction Inc Mike Forman PO Box 838 Ellensburg, WA 98926	INSURER(S) AFFORDING COVERAGE INSURER A: Charter Oak Fire Ins. INSURER B: Travelers Indemnity Co. INSURER C: Travelers Prop Cas Co. of Amer INSURER D: INSURER E: INSURER F:		NAIC # 25615

COVERAGES**CERTIFICATE NUMBER:****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 LTR	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"/> WA Stop Gap GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC		DTCO5184M480COF10	09/15/10	09/15/11	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Emp Ben. \$ 1,000,000
	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		DT8105184M480IND10	09/15/10	09/15/11	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10,000		DTSMCUP527D3661TIL10	09/15/10	09/15/11	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000 \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input type="checkbox"/> N/A					WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
ADDITIONAL INSURED AS REQUIRED BY WRITTEN CONTRACT: KITTITAS COUNTY. SEE
ATTACHED ENDORSEMENT.
RE: 2010 BRIDGE REPLACEMENT PROJECT

CERTIFICATE HOLDER**CANCELLATION**

KITTCOU

KITTITAS COUNTY
205 WEST 5TH AVE STE 108
ELLENSBURG, WA 98926

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

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

BLANKET ADDITIONAL INSURED (CONTRACTORS)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. WHO IS AN INSURED – (Section II) is amended to include any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:
 - a) Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
 - b) If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies. The person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.
2. The insurance provided to the additional insured by this endorsement is limited as follows:
 - a) In the event that the Limits of Insurance of this Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement shall not increase the limits of insurance described in Section III – Limits Of Insurance.
 - b) The insurance provided to the additional insured does not apply to "bodily injury", "property damage" or "personal injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services, including:
 - i. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders or change orders, or the preparing, approving, or failing to prepare or approve, drawings and specifications; and
 - ii. Supervisory, inspection, architectural or engineering activities.
- c) The insurance provided to the additional insured does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.
3. The insurance provided to the additional insured by this endorsement is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover under this endorsement. However, if the "written contract requiring insurance" specifically requires that this insurance apply on a primary basis or a primary and non-contributory basis, this insurance is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured for such loss, and we will not share with that "other insurance". But the insurance provided to the additional insured by this endorsement still is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under such "other insurance".
4. As a condition of coverage provided to the additional insured by this endorsement:
 - a) The additional insured must give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:

COMMERCIAL GENERAL LIABILITY

- i. How, when and where the "occurrence" or offense took place;
 - ii. The names and addresses of any injured persons and witnesses; and
 - iii. The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b) If a claim is made or "suit" is brought against the additional insured, the additional insured must:
- i. Immediately record the specifics of the claim or "suit" and the date received; and
 - ii. Notify us as soon as practicable.
- The additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c) The additional insured must immediately send us copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.
- d) The additional insured must tender the defense and indemnity of any claim or "suit" to

any provider of "other insurance" which would cover the additional insured for all loss we cover under this endorsement. However, this condition does not affect whether the insurance provided to the additional insured by this endorsement is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured as described in paragraph 3. above.

5. The following definition is added to SECTION V. - DEFINITIONS:

"Written contract requiring insurance" means that part of any written contract or agreement under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

- a. After the signing and execution of the contract or agreement by you;
- b. While that part of the contract or agreement is in effect; and
- c. Before the end of the policy period.