

SERVICE CONTRACT

THIS SERVICE CONTRACT ("Contract") is entered into as of the date specified in Paragraph 1(d) by and between the Owner identified in Paragraph 1(a) and the Contractor identified in Paragraph 1(b).

1. DEFINITIONS. As used in this Contract, the following terms shall have the following meanings:

a. **Owner:** County of San Mateo, as Owner, and Orchard Commercial, Inc., as Managing Agent, located at 2055 Laurelwood Road, Suite 130, Santa Clara, CA 95054. "Owner" includes Owner's Authorized Representative, if any, and if Owner is a joint venture or partnership, any partner or joint venturer in such partnership or joint venture, and any and all owners, shareholders, directors, officers, managers, agents, and employees of Owner. "Owner" shall further mean and include Orchard Management Services or any other management company acting as agent for Owner.

b. **Contractor:** Asphalt Surfacing, Inc.

c. **Authorized Representative:** Dave Hendrickson

d. **Contract Date:** March 5, 2013

e. **Project:** # 7700 – Circle Star (One and Two Circle Star Way, San Carlos, CA 94070)

f. **Work:** The "Work" shall mean the products and services set forth in Exhibit A. Contractor will provide and furnish all of the materials, equipment, tools, supplies, services, drawings, machinery, hoists, models, molds, appliances, cartage, ladders, fixed and moveable scaffolding, runways, staging, implements, power, other facilities of every kind and description, and labor necessary or incident to performance of the Work

g. **Plans and Specifications:** The "Plans and Specifications" shall mean those plans, renderings, drawings, and lists of specifications which Owner supplies to Contractor to describe the Work, which are attached as Exhibit A.

h. **Contract Documents:** The "Contract Documents" means the Plans and Specifications, this Contract, all modifications or additions hereto, and all change orders executed in regard to the Work. All Exhibits attached hereto are incorporated in this Contract.

i. **Contract Term:** March 5, 2013 through March 31, 2013, unless terminated earlier pursuant to Section 21 (Termination) described below.

j. **Contract Price:** Four Thousand Eight Hundred and 00/100 Dollars (\$4,800.00) for concrete repairs at One and Two Circle Star Way, San Carlos, CA 94070 as referenced on Exhibit A attached hereto.

The Contract Price includes payment by Contractor of all sales and/or use taxes, as well as any other taxes imposed by any unit of government on the materials, services, and labor furnished by Contractor, as well as all permit fees and other governmental charges. In construction contracts, Owner shall withhold Ten Percent (10%) from each payment as a retention against defects and failures of performance hereunder, and shall make final payment of all sums due to Contractor, less any back charges and other liabilities of Contractor, sixty (60) days after recordation or waiver of the Notice of Completion as required by Section 2f. Contractor shall perform the Work at the Contract Price during the Term, and the Contract Price shall not be subject to increase for any reason whatsoever without the express written consent of Owner.

k. **Payment Terms:** Net 30 days.

2. PERFORMANCE OF WORK.

a. Contractor shall perform and provide everything required to complete the Work in a first-class, diligent, efficient, expeditious, professional, and workmanlike manner, including, without limitation, all supervision, labor, materials, tools and transportation, all in strict accordance with the Plans and Specifications and applicable federal, state and local statutes and regulations, including, but not limited to, all statutes and rules relating to safety, immigration, fire prevention, toxic or hazardous materials, and discrimination, and to the satisfaction of Owner, Government inspectors, and inspectors for lenders, if any. No additional compensation shall be allowed to Contractor in the event that governmental directions require extra work. Any Work which does not meet these standards in all particulars is defective. Until approved by Owner, no part of the Work shall be deemed to have been completed.

b. Contractor shall be responsible for initiating, maintaining, and supervising all reasonable and necessary safety precautions and programs (including but not limited to all such matters required by law or any public entity) in connection with the Work, and provide necessary protection to prevent damage, loss, or injury to persons, the Work and related materials and tools, and property (including trees, shrubs, lawns, walks, pavement, roadways, structures, utilities and underground facilities on the Property). All damage caused by Contractor, any subcontractor, supplier or other person directly or indirectly employed by them, shall be the responsibility of and remedied by Contractor. Owner shall have no responsibility for safety of person or property in regard to the Work.

c. Except for employees who are qualified and certificated to do so, Contractor will not direct, suffer, or permit any of its employees to handle, use, manufacture, store, or dispose of any flammables, explosives, radioactive materials, hazardous wastes or materials, toxic wastes or materials, petroleum products or derivatives, or other similar substances, or any substances subject to regulation by state, federal, or local laws, rules, or regulations relating to protection of the environment or regulation of such materials ("Environmental Laws"), whether presently in effect or hereafter adopted (such materials are collectively referred to herein as "Hazardous Materials") in or about the Work or on the Project. Contractor shall not suffer or permit any Hazardous Materials to be used in any manner not fully in compliance with all Environmental Laws, nor shall Contractor suffer or permit the Project to become contaminated with Hazardous Materials. Further, Contractor and its subcontractors, agents, servants, and employees shall not use any Hazardous Materials in connection with the Work without full disclosure to and the express written consent of Owner, and in full compliance with all Environmental Laws, and without contaminating the Project with Hazardous Materials. Contractor shall indemnify Owner for any loss, damage or claim resulting from a violation of this provision. If, in the course of completing the Work, Contractor encounters any such Hazardous Materials, including asbestos and PCB's, which were not expressly identified as part of the Work in the Contract Documents, Contractor shall stop work on that portion of the Work and immediately notify Owner by phone (followed by written notice within three (3) days). Contractor shall not proceed with the Work in regard to the area of such a discovery until given written notice to do so by Owner.

d. Contractor assumes sole and complete responsibility for job site conditions during the performance of this project, at all time when Contractor is engaged upon the work, and shall make sure that the jobsite is safe for Contractor's workmen and others. Contractor shall indemnify Owner against any claims, demands, or liabilities for physical injury or property damage resulting from breach of this provision.

e. Contractor assumes full responsibility for the accuracy of all lines, levels, and measurements and their relation to benchmarks, property lines, reference lines, and the work of Owner or other trades. Where dimensions are governed by conditions already established, Contractor is responsible for correct knowledge of such conditions. No variation from specified lines, grades, or dimensions shall be made except with written permission of Owner. All work shall be made to conform to actual, final conditions as they develop in the course of construction.

f. Within ten (10) days after substantial completion of the Work, subject only to minor punch list items, Contractor shall record and provide Owner a copy of a Notice of Completion or obtain Owner's written waiver thereof. The cost of recording the Notice shall be a part of the Contract Price.

3. **MODIFICATIONS TO THE CONTRACT OR THE WORK.** Any changes or modifications regarding the Work or this Contract must be in writing and approved by Owner. The cost of approved changes or modifications shall be agreed upon between Owner and Contractor in writing before additional labor or materials are supplied. If the Contract is based on unit prices, the Contract Price shall be increased or decreased by the number of units affected. All work performed by Contractor shall be deemed to be part of the Work and provided pursuant to the Contract Price, unless a written change order is executed. A change order shall specify whether the change is an increase or decrease in the Work, specify any resulting increase or decrease in the Contract Price, and detail any related change in the schedule of performance. If no increase or decrease in price is specified in a change order, then the Work, as amended by the change order, shall be performed for the Contract Price specified herein. Unless the schedule of performance is changed in the change order, it shall remain as set forth herein. Owner may order extras at any time, and may omit from the Work any part thereof by so directing Contractor in writing, and in such event the Contract Price shall be proportionately adjusted.

4. **INSPECTION OF PLANS AND SPECIFICATIONS AND JOBSITE.** Contractor acknowledges that it has examined, and is familiar with, the Plans and Specifications for the Work, the job location, the jobsite, and any materials or construction adjacent to or underlying the Work, and that it has performed such investigation as it deemed reasonable in regard to such matters. Contractor has based its design, bid, and/or price solely on its own investigation and evaluation, and has not relied on any estimate, statement, representation, or other information provided by Owner, except for the Plans and Specifications. If in the course of performing the Work, Contractor becomes aware of any subsurface or previously covered condition of the jobsite which differs materially from that shown in the Contract Documents, then Contractor shall immediately notify Owner by phone and thereafter in writing. Contractor shall not proceed with the Work in this area until given written direction to do so by Owner. Contractor and Owner shall agree on a Change Order to accommodate any such conditions which could not reasonably have been discovered and/or anticipated by Contractor.

5. **CONDUCT OF WORK.** Contractor shall coordinate its Work with other contractors, vendors, and suppliers as directed by Owner and shall fully cooperate with Owner and all other persons to the end that the Work and the Project may be performed and completed in the most expeditious and efficient manner. In the event Owner notifies Contractor in writing that it is necessary for Contractor to delay its Work in order that other portions of the Project may proceed, Contractor shall be free of responsibility for such delay, and Owner shall have no liability to Contractor for any increased expense of Contractor's performance. Contractor must at all times exercise due care to protect all other portions of the Project from damage by its operations and delivery. In the event any portion of the Project is damaged by Contractor with or without fault, such damage shall be promptly repaired to the satisfaction of Owner at Contractor's expense.

6. **LICENSING.** If Contractor must be licensed to perform the Work, Contractor represents that it is, and will at all times during bidding and performance hereof, be licensed to perform the Work by the Contractor's State Licensing Board or other agency having jurisdiction over such licenses, and that all subcontractors will be licensed. Possession of a valid license shall be a condition of payment, and Owner shall not be required to pay for any

c. Contractor shall at all times pay all federal and state taxes, withholdings, and subventions having to do with the performance of the Work or the workers performing same, and shall further pay all amounts contractually due to any union or union health or pension fund relating to labor performed on this job.

d. In the event that any lien is placed upon the Property as a result of Contractor's activities, Contractor shall indemnify Owner from all liability thereunder, shall forthwith take all necessary action to cause the removal of the said lien, and on request of Owner, shall provide a bond for the removal of the said lien. In the event that Contractor fails to do so within ten (10) days after notice from Owner, then Owner may take any action necessary to remove the lien, including the posting of a bond or the payment of a settlement to the claimant, all of which shall be at the expense of Contractor.

e. Owner has the right to withhold payment for any part of the Work if Contractor fails to provide satisfactory evidence that all current bills for labor, materials, and other job-related liabilities of Contractor have been paid, and Owner has the right to require lien releases from laborers, unions, materialmen, and subcontractors as a condition of any payment.

20. **DISPUTES.** Should a dispute arise during the performance of the Work between Contractor and Owner concerning the Work, Contractor shall continue the Work in accordance with this Contract; provided, however, that Owner shall continue to make payment for services in accordance with this Contract for that portion of the Work not in dispute.

21. **TERMINATION OF CONTRACT.**

a. Owner shall have the right to cancel and terminate this Contract with or without cause at any time upon ten (10) days written notice to Contractor.

b. If the property is sold, the contract terminates on the date of sale unless the contract is assumed by the new Purchaser of the property.

c. In the event Owner cancels or terminates this Contract without cause, Contractor shall be paid for all Work performed through the effective date of the cancellation or termination, with such payment to be prorated as of the effective date of the cancellation or termination. Such payment shall be Contractor's sole remedy for such termination or cancellation, and Contractor waives any and all claims Contractor may have that such termination or cancellation was wrongful in any respect.

d. In the event Owner cancels or terminates this Contract for cause, which shall be deemed to exist if, in the sole opinion of Owner:

1) Contractor fails to provide competent and adequate labor to do the Work called for in this Contract on a timely basis, or

2) Contractor fails to furnish sufficient quantities of material to keep up with the progress of the Work, or

3) Contractor fails to perform the Work as scheduled, or

4) Contractor fails to pay any subcontractors, materialman or other individual or entity to whom Contractor is obligated on the Work, whether or not such failure results in the filing of a mechanic's or materialman's lien against the Project, or

5) Contractor fails to meet the requirements or specifications of the Work on this Contract, then

Contractor shall not be entitled to receive any further payment until the Work has been completed, and Owner shall deduct from any such further payment all damages suffered by Owner, whether direct, indirect, consequential or otherwise. If the cost of completing Contractor's Work, plus the amounts previously paid by Owner to Contractor under this Contract exceeds the Contract price for the Work, Contractor shall pay such excess to Owner on demand.

e. If the Contractor is adjudged bankrupt or becomes a debtor under any chapter of the Bankruptcy Code, or files a petition for relief under any chapter of the Bankruptcy Code, or if he makes a general assignment for the benefit of his creditors, or if a receiver is appointed on account of his insolvency, or if he disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, or otherwise is guilty of a material breach of any provision of this Contract, Owner may terminate this Contract immediately on giving written notice of such termination to Contractor, and Owner shall have the remedies specified in Subparagraph c above.

22. **DEFAULT BY OWNER.** Owner shall not be in breach or default of this Contract unless and until Owner has been given sixty (60) days notice of the act or omission alleged to constitute the breach or default, and has within that time failed to cure the breach or default.

23. **WAIVER.** No waiver of any provision hereof shall be enforced against Owner unless Owner shall have agreed in writing to waive said provision, and no waiver of any term or condition hereof, or any breach or violation of or default under such terms and conditions shall prevent Owner from enforcing the same or other terms or conditions upon any subsequent breach thereof.

24. **WARRANTY.** Contractor fully warrants that all products supplied in connection with the Work and this Contract are new and of good workmanship and quality, free of faults and defects and in conformity with the Plans and Specifications and the Contract Documents. Contractor guarantees all workmanship, labor, and materials against defects. Upon written notice from Owner that products or workmanship are not satisfactory, Contractor agrees within ten (10) days after notice to begin and proceed with reasonable diligence to repair said products or workmanship in a satisfactory manner at its own cost and expense. Contractor further agrees that if Owner notifies Contractor that such defects are a danger to life or property, or interfering with Owner's contractual and/or business relations with others, including tenants, Contractor will treat such repairs as an emergency and begin correction of the defects as soon as possible, and in any event within forty eight (48) hours of notice. If Contractor fails to proceed as above stated, Owner may, without further notice to Contractor, proceed to arrange for such work to be done at the expense of the Contractor, which shall pay for same within five (5) days of receipt of bill from Owner, or Owner may deduct payment from monies not yet paid to Contractor. If in repairing its own work Contractor damages the work of any other's, repairing and paying for repairs of such other work is included in Contractor's responsibility.

25. **INSURANCE.** At its expense, Contractor shall maintain in full force and effect, the following policies of insurance:

a. Workers Compensation insurance in compliance with the laws of the State of California;

b. Comprehensive General Liability, Bodily Injury and Property Damage, including Broad Form Property Damage coverage (including Completed Operations), Completed Operation/Products coverage, Blanket Contractual coverage, Independent Contractors coverage, Personal Injury coverage, Errors and Omissions coverage, contractual liability coverage, and where any type of underground work is applicable, XCU, in an amount not less than \$2,000,000 Combined Single Limit bodily injury and property damage liability. Contractor's indemnity obligations to Owner shall be insured under such Comprehensive General Liability insurance.

c. Automobile Liability insurance on all owned, non-owned, hired or leased automotive equipment used in the performance of the Work in an amount not less than a combined single limit of \$1,000,000 for bodily injury and \$100,000 for property damage.

d. Contractor may also carry such other insurance as it may desire for its own protection.

e. All insurance which Contractor is required to carry hereunder shall be carried with an insurer or insurers who are satisfactory to and approved by Owner, under policies satisfactory to and approved by Owner, and shall name Owner as an additional insured, and shall be primary, with Owner's insurance policies non-contributing.

f. Contractor shall submit to Owner Certificates of Insurance as evidence of the coverages required in this Paragraph. If the insurance certificates are not submitted within fifteen (15) days from the date of this Contract, this Contract may be canceled immediately at Owner's option. Each Certificate will bear an endorsement or statement waiving right of cancellation or reduction in coverage without at least thirty (30) days prior written notice, except for non-payment which shall be ten (10) days prior written notice, to be delivered by certified or registered mail to Owner. Should any policy be canceled before final payment to Contractor and Contractor fails to immediately procure other insurance as specified, Owner may, but is not required to, procure such insurance and deduct the cost from any sum due Contractor under this Contract (or bill Contractor for such sum).

26. **ROYALTIES AND PATENTS.** If any design, device, material or process covered by patent or copyright is used by Contractor, Contractor shall obtain all necessary licenses and authorizations to use the same, and shall indemnify Owner from and against any and all loss or expense arising out of or in connection with the use of such device, design, material or process.

27. **STATUS OF CONTRACTOR.** Contractor acknowledges and agrees that it is acting under this Contract solely as an independent contractor, and not as a partner, joint venturer or employee of Owner. Contractor shall have no authority to act for, bind, or obligate Owner in any manner whatsoever, except as specifically authorized in writing by Owner. No contractual relationship shall be entered into between Contractor and any other person in connection with the Project covered by this Contract except as agreed to by Owner in writing.

28. **RELEASE OF INFORMATION.** Contractor shall not, without the prior written approval of Owner, make any news releases, public announcements, denials or confirmations relating to the subject matter of this Contract, or disclose any privileged or confidential information obtained in connection with this Contract to any third party without the prior written consent of Owner.

29. **GENERAL PROVISIONS.**

a. **Binding Contract.** Owner and Contractor agree that this Contract is to be binding upon all successors, permitted assigns, heirs, executors and administrators (but this section does not authorize any assignments otherwise prohibited by this Contract). The liability of Owner hereunder, and any redress against Owner, is limited to the Owner's equity interest in the Project and in no event shall any other property or assets of Owner, its parents, its subsidiaries, or its shareholders, directors, officers, agents, employees, partners, joint venturers or others associated with Owner, be subject to any claim hereunder. The obligations of Owner under this Agreement are not intended to and shall not be personally binding on, nor shall any resort be had to the private properties of, and of Owner's parent companies, subsidiaries, partners, shareholders, or joint venturers, nor Owner's investment, asset, and/or property managers, including but not limited to Orchard Management Services, and the respective trustees, directors, officers, partners, beneficiaries, stockholders, employees, or agents of any of the foregoing or of Owner.

b. **Inspection And Submission Of Samples.** Contractor shall furnish Owner with access to the Work, and with every opportunity and facility for inspection of the Work. Contractor shall deliver to Owner on request, without charge, properly identified test specimens of materials required by the Plans and Specifications or to be used in the Work. If any inspection is required by Owner or the Plans and Specifications, and such part of the Work is covered by Contractor prior to inspection, it must be uncovered at Contractor's expense.

c. **Reports And Audits.** Contractor will supply Owner with such daily reports, orally or in writing, as are from time to time requested by Owner. At Owner's request, Contractor will allow Owner or its representatives the right to review and audit any of Contractor's books and records relating to performance of the Work or to this Contract.

d. **Observance Of Owner's Rules, Regulations, And Directions.** Contractor shall at all times obey and comply with all of Owner's rules, regulations, and directions relating to the job, and to jobsite safety (but nothing set forth herein shall diminish Contractor's responsibility for maintenance of a safe jobsite and safety during the performance of the Work). Contractor shall forbid the use or consumption of alcoholic beverages or drugs on the jobsite at any time, and shall not utilize any workers who are under the influence of drugs or alcohol at any time in regard to the work or on the jobsite. If Owner gives notice to Contractor of a violation of the above rules, Contractor shall forthwith remove the offending worker from further participation in the performance of the Work.

e. **Responsibility For Contractor's Tools And Materials.** Contractor shall be responsible to protect its own tools and materials, until attached to a structure on the Property, and accordingly, Owner shall not be liable to Contractor for any theft, loss, or damage to tools, materials, or other property of Contractor used on the job or present on the job site.

f. **Care For Property.** Contractor shall take proper care for all buildings, construction, sidewalks, curbs, gutters, plants, materials, tools and other property of Owner or other subcontractors, and other property located on the Property, and shall be responsible to pay for any waste or damage occurring to such property which is caused by Contractor or its activities, regardless of whether Contractor is negligent.

g. **Removal From Jobsite.** In the event that, under any provision of this Contract, Owner removes Contractor from the jobsite, Owner may and shall take possession of all materials, appliances, tools, and equipment on the site, or materials in preparation wherever located, and Contractor shall take all necessary action to allow Owner to do so. Under such circumstances, Owner may complete the work with its own forces, or through others, and Contractor will pay to Owner any excess of expense of doing so over what would have been paid hereunder to Contractor for the said performance.

h. **Bonding.** If bonding is required in the Plans and Specifications, then Contractor shall provide the bond required by Owner for faithful performance and/or labor and material. In the event that Owner requests a bond after the execution of this Contract, and which was not a part of the price hereof, then Contractor shall obtain same and Owner shall pay for the said bond as an extra, but if Contractor is unable to bond as requested, Owner may terminate this Contract without further liability. Bond(s) shall be executed by a corporate surety licensed as such and acceptable to Owner, and shall be in a form acceptable to Owner. It is agreed that no change, alteration, or modification in or deviation from this Contract or the Plans and Specifications shall release or exonerate, in whole or in part, any surety of any bond given in connection with this Contract or the Work.

i. **Picketing And Union Activities.** In the event that there is picketing at the jobsite and Owner establishes a separate gate for the use of Contractor, then Contractor shall be required to complete the Work and man the job without regard to any pickets at the said second gate. Contractor shall in no event be excused from performance of any obligations hereunder by any matters related to labor unions.

j. **Governing Law.** This Contract shall be governed by the laws of the State of California.

k. **Assignment.**

- 1) Contractor shall not assign or transfer any interest in this Contract or in any monies due or to become due hereunder either voluntarily or involuntarily or by operation of law without the written consent of Owner. A change of more than twenty percent (20%) on a cumulative basis of any ownership interest in Contractor shall constitute an assignment of this Contract.
- 2) Owner may assign and/or transfer its interest in this Contract at any time without the consent of Contractor, including, without limitation, to a lender as collateral security for a loan. On such assignment, Owner shall be relieved of any and all further obligations to Contractor under this Contract, and Contractor agrees to look solely to the assignee or transferee of this Contract in the event of any default under this Contract.

l. **Place Of Making; Place Of Performance.** This contract is made in Santa Clara County. It is not to be considered made until a signed copy of the Agreement attached hereto is received at Owner's offices in Santa Clara County. This contract is to be performed in Santa Clara County, by the payment of fees set forth herein at Owner's Santa Clara County offices, and by Contractor's performance of planning and consideration in said County, in addition to any physical work performed in the County. Contractor agrees that if Contractor shall bring any suit against Owner relating hereto, it will bring said suit only in Santa Clara County, and in the event suit is brought by any party, Contractor waives the right to transfer the action out of Santa Clara County, and agrees that if brought elsewhere it shall immediately be transferred to Santa Clara County.

m. **Notices.** All notices given pursuant to this Contract shall be in writing and shall be deemed given when personally delivered or, in the alternative, mailed by registered or certified mail, postage prepaid, or sent by recognized overnight delivery service such as Federal Express, to the Owner or Contractor at the addresses indicated in Paragraph 1 above or to such other address as may be specified from time to time by notice given by Owner or Contractor. Notice is deemed given on delivery to the office of the recipient to a competent person apparently in charge thereof (including a receptionist); three (3) days after deposit in the U.S. Mail; and on the date of delivery as shown by the receipt of the overnight delivery service.

n. **Severability.** If any term, covenant, condition or provision of this Contract is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions of this Contract shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

o. **Entire Agreement; Amendments; No Oral Agreements.** This Contract represents the entire and integrated agreement between Owner and Contractor and supersedes all prior negotiations, representations or agreements, written or oral. It covers in full and contains all of the terms of each and every agreement of every kind or nature whatsoever between Owner and Contractor concerning the Work and this Contract, and all preliminary negotiations, proposals, agreements, and bids of any kind or nature are merged in this Contract. No oral agreements have been made other than as set forth in this Contract, and Contractor acknowledges that no representations or warranties of any kind or nature not specifically set forth herein have been made. Neither this Contract nor the Work can be modified or changed except by a writing signed by Contractor and Owner, and any attempted oral modifications of this Contract or the Work shall be void and of no force or effect.

p. **Attorney's Fees.** If there is any litigation or arbitration between the parties arising from the Agreement or the relationship between the parties to which the Agreement relates, the prevailing party shall be entitled to recover reasonable attorney's fees from the other party and all of the prevailing party's costs of bringing and maintaining the proceeding, whether the said costs are normally considered to be taxable costs or not, including all expert fees reasonably incurred by the prevailing party. Such fees and costs may be ordered as party of the judgment in the proceeding, or may be collected in a separate proceeding.

q. **Survival.** All representations, warranties and indemnifications made or given by Contractor herein, together with any and all causes of action and other rights and remedies which Owner may have as a result of breach of any term or condition, representation or warranty of this Contract, shall survive any expiration or termination of this Contract.

r. **Warranty of Authority.** Each person signing this Agreement on behalf of a corporation, partnership, or other legal entity warrants that he/she is authorized to do so pursuant to authority properly granted by the said entity, according to its rules, regulations, and procedures.

s. **Delay; Acts Of God; Acts Of Government.** Owner shall not under any circumstances be responsible for any delays or damages caused by acts of the Contractor, or third parties, strikes, lockouts, force majeure, government action or inaction, wars, natural catastrophes, earthquakes, floods, acts of God, weather, or other forces beyond Owner's control.


t. **Non-Discrimination Policy.** Contractor shall not deny the benefits of this Contract to any person nor discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, or any other applicable protected classification. Contractor will take affirmative action to insure that the evaluation and treatment of employees are free from such discrimination. Contractor, unless exempt, further agrees to abide by the terms of all applicable federal, state, and local non-discrimination provisions, including but not limited to 41 CFR Sec. 60-1.4, such non-discrimination provisions being incorporated herein by reference. Contractor shall include this Non-Discrimination Clause in all subcontracts to perform work under this Contract, and will notify all labor organizations with which it has a collective bargaining agreement of the obligations under this paragraph.

WHEREFORE, Owner and Contractor have executed this Contract as of the Contract Date.

OWNER:


County of San Mateo

By: Orchard Commercial, Inc., a California corporation
Agent for County of San Mateo

By: 
Joe Lewis
President

CONTRACTOR:

Asphalt Surfacing, Inc.

By: 
EDDIE BELSHE
C.F.O

EXHIBITS

- Exhibit A Synopsis of Pricing and Scope of Work
- Exhibit B Owner and Additional Insured Information and Invoice Information



Asphalt Surfacing, Inc.
980 Ames Ave.
Milpitas, CA 95035

Asphalt Surfacing, Inc.

Tel: (408) 586-8824 Fax: (408) 586-8863 Lic: 808560

Proposal/Contract

Proposal Date: 2/8/2013

Proposal #: 12363

Estimator: DAVE HENRICKSON

Customer:

ORCHARD COMMERCIAL CONSTRUCTION
ATTN: DEBBIE KAISER
2055 LAURELWOOD RD., #130
SANTA CLARA, CA 95054

Job Name/Address:

1 - 2 CIRCLE STAR PLAZA
REDWOOD CITY, CA

Phone: (408) 955-1429

Fax: (408) 922-0157

Alt Phone:

SCOPE OF WORK

1. Fix ADA "Path of Travel", in sidewalk area.
2. Remove and replace concrete walkway (ADA path of travel) to a depth of 4", using Portland cement concrete.
3. Broom finish to match existing.
4. Remove and replace, in TWO areas, 12" vertical curb in front of building entrance. (10 lineal ft)

PRICE: \$ 4,800.00

NOTE: Due to the present volatility in crude oil prices and natural gas, any additional increases for materials will be added to this price.
 *SPECIAL NOTE: Due to California soil conditions and earth movement, surface cracks may occur in your asphalt, which is no reflection on the quality of workmanship by Asphalt Surfacing, Inc.
 *EXCLUSIONS: Proposal excludes the following unless noted otherwise: Permits, fees, bonds, testing, inspection, Engineering and Surveying, Removal in excess of the depth specified in the proposal, Overexcavation due to unsuitable soil conditions, Offhaul of existing asphalt containing petromat fabric, Removal, relocation, repair and/or abandonment of any utilities or irrigation systems, Prime coat and/or fog seal, Removal or offhaul of buried objects or contaminated materials. Any costs for insurance requirements beyond our current policy. Any items not listed above.
 Terms of payment shall be as follows: NET UPON COMPLETION. **This proposal may be voided if not accepted within 30 days of bid date.**

RESPECTFULLY SUBMITTED BY:

TOTAL: \$4,800.00

ACCEPTED

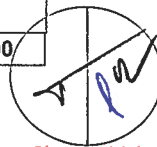
DAVE HENRICKSON

You are authorized to complete the scope of work mentioned above, and in accordance with the terms and conditions on the reverse side of this proposal. The amount, specifications, and conditions are satisfactory and payment will be made as outlined above.

By: _____

Date: _____

Title: _____



Please Initial

EXHIBIT B

OWNER:

County of San Mateo

ADDITIONAL INSURED:

County of San Mateo, as Owner and Orchard Commercial, Inc., as Managing Agent

ALL INVOICES SHOULD BE ADDRESSED AS FOLLOWS:

ORCHARD MANAGED ACCOUNT #7700
C/O ORCHARD COMMERCIAL, INC.
ATTN: ACCOUNTING
2055 LAURELWOOD ROAD, SUITE 130
SANTA CLARA, CA 95054

CONTRACTOR SHALL PRESENT TWO (2) COPIES OF THE MONTHLY INVOICES FOR THE BASE CONTRACT. ALL INVOICES SHALL BE ITEMIZED TO SHOW MATERIAL AND LABOR COSTS. ANY WORK PERFORMED AS "EXTRA WORK" SHALL BE BILLED ON A SEPARATE INVOICE (TWO COPIES) WITH DETAILING OF THE LOCATION, TIME AND MATERIALS INVOLVED IN EXTRA WORK. ANY INVOICE RECEIVED LATER THAN SIXTY (60) DAYS AFTER COMPLETION OF WORK WILL NOT BE PAID. ALL INVOICES FOR THE FISCAL YEAR MUST BE SUBMITTED BY DECEMBER 2 OF THAT YEAR. ANY INVOICES SUBMITTED AFTER DECEMBER 2 WILL NOT BE PAID. ALL INVOICES SHALL REFERENCE THE PROJECT NUMBER, PROPERTY MANAGER AND ORCHARD PROPERTIES.