

County of El Dorado

ISSUED IN DUPLICATE

PERFORMANCE BOND

Bond No. 929464793

Premium: \$14,581.00

KNOW ALL MEN BY THESE PRESENTS, that we PBM CONSTRUCTION, INC., the Contractor in the Contract hereto annexed, as Principal, and Western Surety Company as Surety, are held firmly bound unto the County of El Dorado, a political subdivision of the State of California, hereinafter called the "Obligee" in the sum of One Million, Three Hundred Forty-Eight Thousand, Three Hundred Forty-Eight Dollars, (\$1,348,348.00) lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, jointly and severally, firmly by these presents.

Signed, sealed and dated: November 26, 2008

The condition of the above obligation is such that if said Principal as Contractor in the Contract hereto annexed shall faithfully perform each and all of the conditions of said Contract to be performed by him, and shall furnish all tools, equipment, apparatus, facilities, transportation, labor and material, other than material, if any, agreed to be furnished by the Obligee, necessary to perform and complete, and to perform and complete in a good and workmanlike manner, the work of El Dorado Trall Improvement Project Forni Road to Missouri Flat Road Contract No. 73180 in strict conformity with the terms and conditions set forth in the Contract hereto annexed, then this obligation shall be null and void; otherwise this bond shall remain in full force and effect and the said Surety will complete the Contract work under its own supervision, by Contract or otherwise, and pay all costs thereof for the balance due under terms of the Contract, and 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 shall in any wise 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.

In the event suit is brought upon this bond by the Obligee and judgment is recovered, the Surety shall pay all costs incurred by the Obligee in such suit, including a reasonable attorney's fee to be fixed by the court.

This guarantee shall insure the Obligee during the work required by any Contract and for a period of one (1) year from the date of acceptance of the work against faulty or improper materials or workmanship that may be discovered during that time.

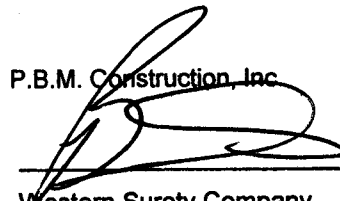
No right of action shall accrue under this bond to or for the use of any person other than the Obligee named herein.

Dated: November 26, 2008.

Correspondence or Claims relating to this bond should be sent to the Surety at the following address:

Wesern Surety Company
101 S. Phillips Avenue
Sioux Falls, SD 57117-5077

P.B.M. Construction, Inc



Western Surety Company PRINCIPAL
Cassandra Marie Brinkman SURETY
Cassandra Marie Brinkman ATTORNEY-IN-FACT

NOTE: Signatures of those executing for the Principal and for the Surety must be properly acknowledged, and a Power of Attorney attached for the Surety.

NOTARY ACKNOWLEDGEMENTS ATTACHED

PRINCIPAL

ACKNOWLEDGMENT

State of California

County of Sacramento

On November 26, 2008 before me, Shelley Goedert, Notary Public,
(here insert name and title of the officer)

personally appeared Bruce Miller

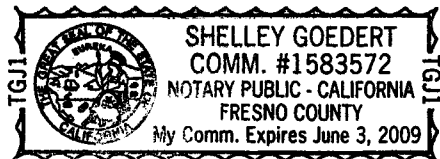
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s),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

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

WITNESS my hand and official seal.

Signature Shelley Goedert

(Seal)



SURETY

ACKNOWLEDGMENT

State of California

County of Sacramento

On November 26, 2008 before me, Shelley Goedert, Notary Public,
(here insert name and title of the officer)

personally appeared Cassandra Marie Brinkman

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

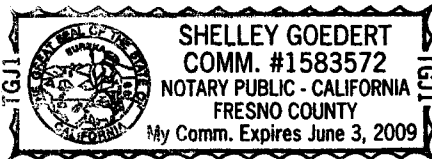
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Shelley Goedert

(Seal)



Western Surety Company

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

Stephen D Bender, David K Johnson, Monica A Hutchison, Edward Johnson, Cassandra Marie Brinkman, Individually

of Sacramento, CA, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Senior Vice President and its corporate seal to be hereto affixed on this 12th day of July, 2007.



WESTERN SURETY COMPANY

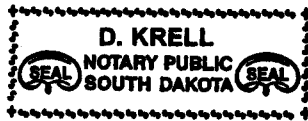
Paul T. Bruflat, Senior Vice President

State of South Dakota }
County of Minnehaha } ss

On this 12th day of July, 2007, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Senior Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires

November 30, 2012



D. Krell, Notary Public

CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this 26 day of November, 2008.



WESTERN SURETY COMPANY

L. Nelson, Assistant Secretary

Authorizing By-Law

ADOPTED BY THE SHAREHOLDERS OF WESTERN SURETY COMPANY

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the shareholders of the Company.

Section 7. All bonds, policies, undertakings, Powers of Attorney, or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, and Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile.

County of El Dorado

ISSUED IN DUPLICATE

PAYMENT BOND

(Section 3247, Civil Code)

Bond No. 929464793

Premium: Included

WHEREAS, the County of El Dorado, a political subdivision of the State of California, hereafter referred to as "Obligee", has awarded to Contractor

PBM CONSTRUCTION, INC.,

hereafter referred to as "Principal", a contract for the work described as follows:

**EL DORADO TRAIL IMPROVEMENT PROJECT FORNI ROAD TO MISSOURI FLAT ROAD
CONTRACT NO. 73180**

AND, WHEREAS, said Principal is required to furnish a bond in connection with said contract, guaranteeing the faithful performance thereof:

NOW, THEREFORE, we the undersigned Principal and Surety are held and firmly bound unto the Obligee, in the sum of

One Million, Three Hundred Forty-Eight Thousand, Three Hundred Forty-Eight Dollars,

(\$1,348,348.00) to be paid to the Obligee, for which payment we bind ourselves, jointly and severally.

THE CONDITION OF THIS OBLIGATION IS SUCH,

That if said Principal or its subcontractors shall fail to pay any of the persons named in Civil Code Section 3181, or amounts due under the Unemployment Insurance Code with respect to work or labor performed by such claimant, or any amounts required to be deducted, withheld, and paid over to the Franchise Tax Board from the wages of employees of the Principal and his subcontractors pursuant to Section 18806 of the Revenue and Taxation Code, with respect to such work and labor, that the Surety herein will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. In case suit is brought upon this bond, the Surety will pay a reasonable attorney's fee to be fixed by the court.

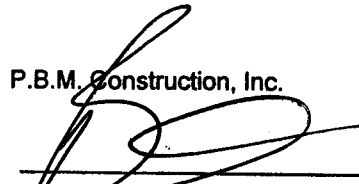
This bond shall inure to the benefit of any of the persons named in Civil Code Section 3181 as to give a right of action to such persons or their assigns in any suit brought upon this bond.

Dated: November 26, 2008.

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Western Surety Company
101 S. Phillips Avenue
Sioux Falls, SD 57117-5077

P.B.M. Construction, Inc.



Western Surety Company PRINCIPAL

Cassandra Marie Brinkman SURETY
Cassandra Marie Brinkman ATTORNEY-IN-FACT

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NOTARY ACKNOWLEDGEMENTS ATTACHED

PRINCIPAL

ACKNOWLEDGMENT

State of California

County of Sacramento

On November 26, 2008 before me, Shelley Goedert, Notary Public
(here insert name and title of the officer)

personally appeared Bruce Miller

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

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

WITNESS my hand and official seal.

Signature Shelley Goedert

(Seal)



SURETY

ACKNOWLEDGMENT

State of California

County of Sacramento

On November 26, 2008 before me, Shelley Goedert, Notary Public,
(here insert name and title of the officer)

personally appeared Cassandra Marie Brinkman

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Signature Shelley Goedert

(Seal)



Western Surety Company

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Stephen D Bender, David K Johnson, Monica A Hutchison, Edward Johnson, Cassandra Marie Brinkman, Individually

of Sacramento, CA, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

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In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Senior Vice President and its corporate seal to be hereto affixed on this 12th day of July, 2007.



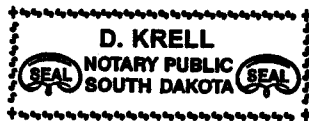
WESTERN SURETY COMPANY

Paul T. Bruflat
Paul T. Bruflat, Senior Vice President

State of South Dakota }
County of Minnehaha } ss

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My commission expires
November 30, 2012



D. Krell
D. Krell, Notary Public

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WESTERN SURETY COMPANY

L. Nelson
L. Nelson, Assistant Secretary

Authorizing By-Law

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