

PERSONAL SERVICES CONTRACT

County of Nevada, California

This Personal Services Contract is made between the COUNTY OF NEVADA (herein "County"), and

R-1 Snow Removal, Inc.

(herein "Contractor"), wherein County desires to retain a person or entity to provide the following services, materials and products generally described as follows:

(§1) **Snow removal, road sanding and snow pack removal for the Hobart Mills and Russell Valley areas of Eastern Nevada County**

SUMMARY OF MATERIAL TERMS

(§2) **Maximum Contract Price:** \$25,400
(§3) **Contract Beginning Date:** 7/1/2016 **Contract Termination Date:** 6/30/2017
(§4) **Liquidated Damages:** n/a

INSURANCE POLICIES

Designate all required policies:

		Req'd	Not Req'd
(§6) Commercial General Liability	(\$1,000,000)	<u>X</u>	<u> </u>
(§7) Automobile Liability	(\$ 300,000) Personal Auto	<u> </u>	<u>X</u>
	(\$1,000,000) Business Rated	<u> </u>	<u>X</u>
	(\$1,000,000) Commercial Policy	<u>X</u>	<u> </u>
(§8) Worker's Compensation		<u>X</u>	<u> </u>
(§9) Errors and Omissions	(\$1,000,000)	<u> </u>	<u>X</u>

LICENSES AND PREVAILING WAGES

(§14) Designate all required licenses:

Appropriate DMV license classifications

NOTICE & IDENTIFICATION

(§26) Contractor: R-1 Snow Removal, Inc. PO Box 8070 Truckee, CA 96162 Contact Person: Ryan Holland (530) 587-9102 e-mail: R1.snowconstruction@gmail.com	County of Nevada: Department of Public Works 950 Maidu Avenue Nevada City, California 95959 Contact Person: Marc Mikan (530) 265-7104 e-mail: marc.mikan@co.nevada.ca.us Org Code: 1114-30107-703-1000/521140
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Contractor is a: (check all that apply)

Corporation:	<u>X</u> Calif.,	<u> </u> Other,	<u> </u> LLC,	<u> </u> Non-profit
Partnership:	<u> </u> Calif.,	<u> </u> Other,	<u> </u> LLP,	<u> </u> Limited
Person:	<u> </u> Individ.,	<u> </u> Dba,	<u> </u> Ass'n	<u> </u> Other

EDD: Independent Contractor Worksheet Required: Yes X No

HIPAA: Schedule of Required Provisions (Exhibit D): Yes X No

ATTACHMENTS

Designate all required attachments:

	Req'd	Not Req'd
Exhibit A: Schedule of Services (Provided by Contractor)	<u>X</u>	<u> </u>
Exhibit B: Schedule of Charges and Payments (Paid by County)	<u>X</u>	<u> </u>
Exhibit C: Schedule of Changes (Additions, Deletions & Amendments)	<u> </u>	<u>X</u>
Exhibit D: Schedule of HIPAA Provisions (Protected Health Information)	<u> </u>	<u>X</u>

Terms

Each term of this Contract below specifically incorporates the information set forth in the Summary at page one (1) above as to each respective section (§) therein, as the case may be.

Services

1. Scope of Services:

Contractor shall provide all of the services, materials and products (herein "Services") generally described in **Exhibit "A"**, according to a performance schedule, if applicable, as set forth in said exhibit (herein "Performance Schedule"). If requested, Contractor agrees to serve as an expert witness for County in any third party action or proceeding arising out of this Contract.

Payment

2. Charges and Payments:

The charges (herein "Charges") for furnishing the aforesaid Services under this Contract are set forth in **Exhibit "B"**, including, if applicable, hourly rates, unit pricing, and expense, mileage and cost limits. Said Charges shall be presented monthly by invoice, and shall be due within thirty (30) days of receipt unless payment is otherwise set forth in said **Exhibit "B"**, and shall remain in effect for the entire term of this Contract, and any extension hereof. In no event will the cost to County for Services to be provided under this Contract, including direct non-salary expenses, exceed the **Maximum Contract Price** set forth at §2, page one (1), above.

Time for Performance

3. Contract Term:

This Contract shall commence on the **Contract Beginning Date** set forth at §3, page one (1), above. All Services required to be provided by this Contract shall be completed and ready for acceptance no later than the **Contract Termination Date** set forth at §3, page one (1), above.

4. Liquidated Damages:

County and Contractor agree that damages to County due to delays in timely providing Services in accordance with the aforesaid Performance Schedule and Contract Termination Date are impractical and difficult to ascertain. Therefore, if §4 at page one (1) hereof shall indicate a daily amount as **Liquidated Damages**, County shall have the right to assess said daily sum, not as a penalty, but as and for damages to County due to delays in providing Services not in accordance with the said Performance Schedule, or later than the Contract Termination Date (herein "Delay"). Liquidated Damages shall be offset against amounts owing to Contractor, including retention sums.

To the extent that any Delay is a result of matters or circumstances wholly beyond the control of Contractor, County may excuse said Liquidated Damages; provided however, that County may condition such excuse upon Contractor having given prompt notice to County of such delay immediately by telephone and thereafter by written explanation within a reasonable time. The time for Contractor's performance shall be extended by the period of delay, or such other period as County may elect.

5. Time of the Essence:

Time is of the essence with respect to Contractor's performance under this Contract. Delay in meeting the time commitments contemplated herein will result in the assessment of liquidated damages, if indicated at §4 at page one (1), hereof. If Liquidated Damages are not so indicated, damages shall be as otherwise provided by law.

Insurance

6. Commercial General Liability Insurance: (County Resolution No. 90674)

If §6 at page one (1) hereof shall indicate a **Commercial General Liability** insurance policy is required, Contractor shall promptly provide proof of such insurance evidenced by a certificate of insurance with properly executed endorsements attached, which insurance shall include the following:

- (i) Broad form coverage for liability for death or bodily injury to a person or persons, and for property damage, combined single limit coverage, in the minimum amount indicated at said §6;

- (ii) An endorsement naming County as an additional insured under said policy, with respect to claims or suits arising from the Services provided or the relationships created under this Contract;
- (iii) A provision that said insurance shall be primary and other insurance maintained by the County of Nevada shall be excess only and not contributing with Contractor's insurance;
- (iv) A provision that said insurance shall provide for thirty (30) days written notice to County of any termination or change in coverage protection, or reduction in coverage limits (except ten (10) days notice for non-payment of premium).

7. Automobile Liability Insurance: (County Resolution No. 90676)

If §7 at page one (1) hereof shall require either a Business Rated or a Commercial Automobile Liability insurance policy, for each vehicle used including non-owned and hired automobiles, Contractor shall promptly provide proof of such insurance evidenced by a certificate of insurance with properly executed endorsements attached, which insurance shall include the following provisions:

- (i) Liability protection for death or bodily injury to a person or persons, property damage, and uninsured and underinsured coverage, combined single limit coverage, in the minimum amount indicated at said §7;
- (ii) An endorsement naming County as an additional insured under said policy, with respect to claims or suits arising from the Services provided or the relationships created under this Contract;
- (iii) A provision that said insurance shall be primary and other insurance maintained by the County of Nevada shall be excess only and not contributing with Contractor's insurance;
- (iv) A provision that said insurance shall provide for thirty (30) days written notice to County of any termination or change in coverage protection, or reduction in coverage limits (except ten (10) days notice for non-payment of premium).

If §7 at page one (1) hereof shall require a Personal Auto policy, for each vehicle used including non-owned and hired automobiles, Contractor shall promptly provide proof of such insurance for a minimum of three hundred thousand dollars, (\$300,000), in combined single limits, and naming the County as additionally insured.

8. Worker's Compensation: (County Resolution No. 90674)

If §8 at page one (1) hereof shall indicate a **Worker's Compensation** insurance policy is required, Contractor shall maintain said policy as required by law, and shall promptly provide proof of such insurance evidenced by a certificate of insurance, or other documentation acceptable to County.

Before commencing to utilize employees in providing Services under this Contract, Contractor warrants that it will comply with the provisions of the California Labor Code, requiring Contractor to be insured for worker's compensation liability or to undertake a program of self-insurance therefor.

9. Errors and Omissions:

If §9 at page one (1) hereof shall indicate **Errors and Omissions** insurance is required, Contractor shall maintain either a professional liability or errors & omissions policy in the minimum amount indicated, and shall promptly provide proof of such insurance evidenced by a certificate of insurance, or other documentation acceptable to County.

10. Miscellaneous Insurance Provisions: (County Resolution No. 90675)

All policies of insurance required by this Contract shall remain in full force and effect throughout the life of this Contract and shall be payable on a "per occurrence" basis unless County specifically consents to "claims made" coverage. If the County does consent to "claims made" coverage and if Contractor changes insurance carriers during the term of this Contract or any extensions hereof, then Contractor shall carry prior acts coverage.

Insurance afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by County, its officers, agents and/or employees, shall be excess only and not contributing with insurance required or provided under this agreement.

At all times, Contractor shall keep and maintain in full force and effect throughout the duration of this Contract, policies of insurance required by this Contract which policies shall be issued by companies

with a Best's Rating of B+ or higher (B+, B++, A-, A, A+ or A++), or a Best's Financial Performance Rating (FPR) of 6 or higher (6, 7, 8 or 9) according to the current Best's Key Rating Guide, or shall be issued by companies approved by the County Risk Manager. In the event the Best's Rating or Best's FPR shall fall below the rating required by this paragraph, Contractor shall be required to forthwith secure alternate policies which comply with the rating required by this paragraph, or be in material breach of this Contract.

Failure to provide and maintain the insurance policies (including Best's ratings), endorsements, or certificates of insurance required by this Contract shall constitute a material breach of this agreement (herein "Material Breach"); and, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which County may elect to suspend payments hereunder, or terminate this Contract, or both. (See §13, ¶2, below, as these provisions additionally apply to subcontractors.)

11. Indemnity:

Nothing herein shall be construed as a limitation of Contractor's liability, and Contractor shall indemnify, defend and hold harmless the County and its officers, officials, employees, agents and volunteers from any and all liabilities, claims, demands, damages, losses and expenses (including, without limitation, defense costs and attorney fees of litigation) which result from the negligent act, willful misconduct, or error or omission of Contractor, except such loss or damage which was caused by the sole negligence or willful misconduct of County or its officers, officials, employees, agents and volunteers.

Personal Services

12. Contractor as Independent:

In providing services herein, Contractor, and the agents and employees thereof, shall act in an independent capacity and as an independent contractor and not as agents or employees of County.

13. Assignment and Subcontracting:

Except as specifically provided herein, the rights, responsibilities, duties and Services to be performed under this Contract are personal to the Contractor and may not be transferred, subcontracted, or assigned without the prior written consent of County. Contractor shall not substitute nor replace any personnel for those specifically named herein or in its proposal without the prior written consent of County.

Contractor shall cause and require each transferee, subcontractor and assignee to comply with the insurance provisions set forth herein at §§6, 7, 8, 9 and 10, to the extent such insurance provisions are required of Contractor under this Contract. Failure of Contractor to so cause and require such compliance by each transferee, subcontractor and assignee shall constitute a Material Breach of this agreement, and, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which County may elect to suspend payments hereunder, or terminate this Contract, or both.

14. Licensing and Permits:

Contractor warrants (i) Contractor is qualified and competent to provide all Services under this contract; (ii) Contractor and all employees of Contractor hold all necessary and appropriate licenses therefor, including those licenses set forth at §14, page one (1) hereof; and, (iii) Contractor shall obtain, and remain in compliance with, all permits necessary and appropriate to provide said Services. Contractor shall cause said licenses and permits to be maintained throughout the life of this Contract. Failure to do so shall constitute a Material Breach of this agreement, and, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which County may elect to suspend payments hereunder, or terminate this Contract, or both.

Public Contracts

15. Prevailing Wage and Apprentices:

To the extent made applicable by law, performance of this Contract shall be in conformity with the provisions of California Labor Code, Division 2, Part 7, Chapter 1, commencing with Section 1720 relating to prevailing wages which must be paid to workers employed on a public work as defined in Labor Code §§1720, et seq.; and shall be in conformity with Title 8 of the California Code of Regulations §§200 et seq., relating to apprenticeship. Where applicable:

- (i) Contractor shall comply with the provisions thereof at the commencement of Services to be provided herein, and thereafter during the term of this Contract. A breach of the requirements of this section shall be deemed a material breach of this contract. Applicable prevailing wage

determinations are available on the California Department of Industrial Relations website at <http://www.dir.ca.gov/OPRL/PWD>.

(ii) Contractor and all subcontractors must comply with the requirements of Labor Code Section 1771.1(a) pertaining to registration of contractors pursuant to Section 1725.5. Registration and all related requirements of those Sections must be maintained throughout the performance of the Contract.

(iii) Contracts to which these prevailing wage requirements apply are subject to compliance monitoring and enforcement by the Department of Industrial Relations. Each contractor and subcontractor must furnish certified payroll records to the Labor Commissioner at least monthly.

(iv) The County is required to provide notice to the Department of Industrial Relations of any public work contract subject to prevailing wages within five (5) days of award.

16. Accessibility (County Resolution No. 00190):

It is the policy of the County of Nevada that all County services, programs, meetings, activities and facilities shall be accessible to all persons, and shall be in compliance with the provisions of the Americans With Disabilities Act and Title 24, California Code of Regulations. To the extent this Contract shall call for Contractor to provide County contracted services directly to the public, Contractor shall certify that said direct Services are and shall be accessible to all persons.

17. Nondiscriminatory Employment:

In providing Services hereunder, Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, age, sex, national origin, political affiliation, ancestry, marital status or disability. This policy does not require the employment of unqualified persons.

18. Prior Nevada County Employment (County Resolution No. 03-353):

Effective July 22, 2003, it is the policy of the County of Nevada that former members of the Board of Supervisors, a former CEO, or a former Purchasing Agent, for a period of twelve (12) months following the last day of employment, shall not enter into any relationship wherein that former employee or former Board member receives direct remuneration from a legal entity that, during the last twelve (12) months of said employment or Board member's service, entered into a contract with, or received a grant from the County of Nevada. Provided however, that this prohibition shall not apply to any employee that did not personally approve a contract with or grant to said legal entity during the last twelve (12) months of said employment, and shall not apply when the Board of Supervisors did not approve a contact with or grant to said legal entity during the last twelve (12) months of said Board member's service.

A violation of this policy shall subject Contractor to all of the remedies enumerated in said resolution and as otherwise provided in law, which remedies shall include but not be limited to injunctive relief, cancellation and voiding of this contract by County, a return of grant money, a cause of action for breach of contract, and entitlement to costs and reasonable attorney fees in any action based upon a breach of contract under this provision.

19. Cost Disclosure:

In accordance with Government Code Section 7550, should a written report be prepared under or required by the provisions of this Contract, Contractor agrees to state in a separate section of said report the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of said report

Default and Termination

20. Termination:

A Material Breach of this Contract pursuant to the terms hereof or otherwise, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which County may elect to immediately suspend payments hereunder, or terminate this contract, or both, **without notice**.

If Contractor fails to timely provide in any manner the services materials and products required under this Contract, or otherwise fails to promptly comply with the terms of this Contract, or violates any ordinance, regulation or other law which applies to its performance herein, County may terminate this Contract by giving **five (5) days written notice** to Contractor.

Either party may terminate this Contract for any reason, or without cause, by giving **thirty (30) calendar days written notice** to the other, which notice shall be sent by registered mail in conformity with the notice provisions, below. In the event of termination not the fault of the Contractor, the Contractor shall be paid for services performed to the date of termination in accordance with the terms of this Contract. Contractor shall be excused for failure to perform services herein if such performance is prevented by acts of God, strikes, labor disputes or other forces over which the Contractor has no control.

County, upon giving **sixty (60) calendar days written notice** to Contractor, shall have the right to terminate its obligations under this Contract at the end of any fiscal year if the County or the State of California, as the case may be, does not appropriate funds sufficient to discharge County's obligations coming due under this contract.

Miscellaneous

21. Books of Record and Audit Provision:

Contractor shall maintain complete records relating to this Contract for a period of five (5) years from the completion of Services hereunder. Said records shall include but not be limited to bids and all supporting documents, original entry books, canceled checks, receipts, invoices, payroll records including subsistence, travel and field expenses, together with a general ledger itemizing all debits and credits

Contractor shall permit County to audit said records as well as such related records of any business entity controlled by Contractor. Said audit may be conducted on Contractor's premises or at a location designated by County, upon fifteen (15) days notice. Contractor shall promptly refund any moneys erroneously charged and shall be liable for the costs of audit if the audit establishes an over-charged of five percent (5%) or more of the Maximum Contract Price.

22. Intellectual Property:

All original photographs, diagrams, plans, documents, information, reports, computer code and all recordable media together with all copyright interests thereto (herein "Intellectual Property"), which concern or relate to this Contract and which have been prepared by, for or submitted to Contractor, shall be the property of County, and upon fifteen (15) days demand therefor, shall be promptly delivered to County without exception. Provided however, for personal purposes only and not for commercial, economic or any other purpose, Contractor may retain a copy of Contractor's work product hereunder.

23. Entire Agreement:

This Contract represents the entire agreement of the parties, and no representations have been made or relied upon except as set forth herein. This Contract may be amended or modified only by written, fully executed agreement of the parties.

24. Jurisdiction and Venue:

This Contract shall be construed in accordance with the laws of the State of California and the parties hereto agree that venue shall be in Nevada County, California.

25. Compliance with Applicable Laws:

The Contractor shall comply with any and all federal, state and local laws, codes, ordinances, rules and regulations which relate to, concern or affect the Services to be provided by this Contract.

26. Notices:

This Contract shall be managed and administered on County's behalf by the department and the person set forth at §26, page one (1) of this Contract, and all invoices shall be submitted to and approved by this Department. In addition to personal service, all notices may be given to County and to Contractor by first class mail addressed as set forth at said §26 Said notices shall be deemed received the fifth (5th) day following the date of mailing or the earlier date of personal service, as the case may be.

27. Authority:

All individuals executing this Contract on behalf of Contractor represent and warrant that they are authorized to execute and deliver this Contract on behalf of Contractor.

IN WITNESS WHEREOF, the parties have executed this Contract effective on the Beginning Date, above.

CONTRACTOR:

COUNTY OF NEVADA:

Name:
Title:

Honorable Dan Miller
Chair, Board of Supervisors

Dated: _____

Dated: _____

Attest: _____
Julie Patterson Hunter
Clerk of the Board

EXHIBIT "A"

SCHEDULE OF SERVICES

SERVICES PROVIDED BY CONTRACTOR

1. FIXED PRICE SERVICES:

The Contractor shall be paid a fixed price for all services described under this contract within the indicated dates regardless of the snowfall amounts within that period. The exception to this is that "On Demand" services shall be paid at an hourly rate. "Fixed Price" snow removal, road sanding and snow pack removal services are to be provided from October 1, 2016, through June 30, 2017. Services shall be provided on a 24-hour basis, seven (7) days per week as needed as set forth in Exhibit A.

A. Snow Removal: Contractor shall begin snow plowing operations at the time that snow exceeds four (4) inches in depth and shall continue until all roads in the service area have been cleared of all fresh snow. Snow removal shall be of the entire width of pavement at all times.

B. Sanding Services: Contractor shall begin sanding whenever any one of the following occurs:

1. The road is wet and the temperature is below 32 degrees or expected to drop below 32 degrees within four (4) hours;
2. There is snow pack or ice on any of the roadways subject to this contract;
3. When instructed to sand by the Department of Public Works, the County Sheriff or the California Highway Patrol.

C. Snow Pack Removal: Upon cessation of any individual storm event, once all fresh snow has been removed, contractor shall commence removal of snow pack.

2. ON DEMAND SERVICES:

The County may desire services to be performed which are relevant to this Contract but have not been included in the scope of the services listed in Exhibit A, and Contractor agrees to perform said services upon the written request of County. These additional services could include, but are not limited to, any of the following:

- A. Work requested by the County in connection with any other matter or any item of work not specified herein;
- B. Work requested between July 1 and September 30;
- C. Work resulting from changes ordered by the County in the nature or extent of the project.

On Demand services shall be paid at the hourly rates indicated below:

ITEM NO.	ITEMIZED	HOURLY RATE
1.	Motor Grader	\$ 175.00
2.	All Wheel Drive Loader	\$ 155.00
3.	Rotary Snow Blower	\$ 285.00
4.	Plow Truck	\$ 115.00
5.	Sanding Services	\$ 145.00
6.	Sand Truck	\$ 115.00
7.	Sand (per ton)	\$ 23.00 per ton

3. LOCATION OF WORK:

This contract for snow removal, snow pack removal and sanding services is for service on the following roads or in the following districts only:

- Hobart Mills from Highway 89 to the 0.5 mile marker, and parking area and from parking lot to intersection of Hobart Mills and Dog Valley Roads plus an additional 0.1 mile on Hobart Mills Road.
- Hobart Mills Road to intersection of Dog Valley Road, then south on Dog Valley Road 1.5 miles.
- Hobart Mills Road 1.5 miles to intersection of Dog Valley Road, then south on Dog Valley Road one mile.

Contractor shall bill County for time, equipment or materials used on the above roads within the County of Nevada only. County shall not be billed for work on any private roads or in other counties.

4. EQUIPMENT:

Contractor shall provide chains for all equipment used under this Contract. Contractor shall provide a mechanic at all times in order to assure immediate repair of all equipment during a storm. Back-up equipment shall be available so that downtime of any piece of required equipment shall not exceed six hours.

Equipment shall be equal to the following:

1. One all-wheel drive loader equivalent to a Caterpillar Model 950 equipped with a reversible snowplow blade.
2. One rotary snow plow to have a minimum capacity of 1,500 tons per hour.
3. One 3-5 ton sand truck with a sanding unit capable of spreading sand on the roads.
4. One plow truck with 11-foot blade.

5. DAMAGE TO COUNTY ROADS OR PRIVATE PROPERTY:

Due care shall be exercised to avoid injury to existing road improvements or facilities and adjacent property. If such objects are injured or damaged by reason of the Contractor's operations, they shall be repaired, replaced or restored at the Contractor's expense.

Contractor shall notify the Contract Administrator immediately or as soon as is possible after the occurrence of any damage or injury to person or property while conducting snow removal, snow pack removal or sanding operations on behalf of County.

All damage resulting from the Contractor's snow removal, snow pack removal or sanding work to private property shall be repaired by Contractor within a two week period after written notification by the County or the property owner. An extension of time may be approved in excess of the two week period if requested in writing by the Contractor. The request shall state the reasons and period of time for the request. Any work not completed by the Contractor within the designated time period may be done by the County and the cost deducted from monies due Contractor.

With respect to any damage done to County roadways, upon receiving a report of such damage or upon discovery of such damage, County shall cause said damage to be repaired. Contractor shall be financially liable for such repairs. Any amounts required to cover damage to County roadways may be deducted from any money due to Contractor. If no money is due, Contractor agrees to reimburse County within 30 days of receipt of a bill therefor.

Interim inspections will be made from time to time in addition to a final inspection, which will be conducted by County for the prior season before June 15 of the current year.

The Contractor shall be responsible for any liability imposed by law and for injuries to or death of any person or damage to property resulting from any cause whatsoever during progress of the work.

6. MAINTENANCE OF DRIVEWAYS:

Contractor shall make every effort to avoid filling private driveways with snow during the snow removal operations. It is recognized that it is impossible to completely avoid same but Contractor shall use its best effort to minimize such obstruction when using plow trucks, motorgraders and loaders. Contractor is not required to remove snow from driveways unless, in the opinion of the Contract Administrator, an excessive amount has been placed in driveways. Snow shall not be placed in driveways when using loaders and blowers.

EXHIBIT B

Schedule of Charges and Payments

1. FIXED PRICE SERVICES:

Contractor shall bill County monthly based upon seven (9) equal increments of \$2,600. The total amount paid for fixed price services shall not exceed \$23,400. A monthly statement shall be due at the office of the County representative on or before the tenth day of the month. Upon approval of the County representative County shall expeditiously process the statement for payment.

At the sole discretion of the County, should extraordinary snow events occur, County may enter into negotiations with Contractor for change orders and initiate "hourly rate" invoicing based upon equipment rates as indicated in Section 2 of Exhibit A, On Demand Services.

Payment of the retention provided for in the contract shall be made after completion of the snow removal season but not prior to completion of all repairs to existing roadway facilities.

2. ON DEMAND SERVICES:

An allowance of \$2,000.00 is included in the maximum contract amount for "On Demand Services." Contractor shall commence work only upon demand of County. On Demand services shall be paid at the hourly rates indicated below:

ITEM NO.	ITEMIZED	HOURLY RATE
1.	Motor Grader	\$ 175.00
2.	All Wheel Drive Loader	\$ 155.00
3.	Rotary Snow Blower	\$ 285.00
4.	Plow Truck	\$ 115.00
5.	Sanding Services	\$ 145.00
6.	Sand Truck	\$ 115.00
7.	Sand (per ton)	\$ 23.00 per ton

3. INVOICES:

The monthly invoices described in Parts 1 and 2 of Exhibit B shall be due at the office of the Department of Public Works on or before the tenth day of the month. County shall review each invoice against the terms of this Contract and upon approval shall expeditiously process the invoice for payment. The total contract price shall not exceed \$25,400.

An amount equal to five percent (5%) of each monthly invoice will be retained by the County and paid to the Contractor after completion of the snow removal season but not prior to completion of all repairs to existing roadway facilities. Amounts will be withheld from this retention as necessary to cover any costs to County for such repairs.