



# CITY of NOVI CITY COUNCIL

**Agenda Item 1**  
**July 11, 2016**

**SUBJECT:** Approval to award a construction contract for the 2016 Chip Seal Program to Highway Maintenance & Construction, the low bidder, in the amount of \$161,592, subject to final review and approval of form of agreement by City Manager's office and the City Attorney.

**SUBMITTING DEPARTMENT:** Department of Public Services, Engineering Division RFA

**CITY MANAGER APPROVAL:** 

<b>EXPENDITURE REQUIRED</b>	<b>\$ 161,592</b>
<b>AMOUNT BUDGETED</b>	<b>\$ 250,000</b>
<b>LINE ITEM NUMBER</b>	<b>203-203.00-870.016</b>

## BACKGROUND INFORMATION:

As part of the City's ongoing asset management approach to maintaining roads, a report that evaluated the City's 6.7 miles of streets that have a chip sealed surface treatment was completed in 2013. (Chip sealing is the application of an asphalt emulsion to seal the road's surface, followed by placement and compaction of small diameter crushed gravel.) The report identified \$806,200 of capital improvements necessary to improve and maintain the chip seal streets in good condition. The attached memo and report provide additional information regarding the evaluation and recommended improvements.

The findings of the report show that a funding level of approximately \$200,000 each year specifically for chip seal capital maintenance should be maintained through the FY2016-17 budget to make the necessary improvements to chip sealed roads to get them back into good condition. The report recommends an annual budget of \$90,000 beginning in FY2017-18 for preventative maintenance, which includes crack sealing and patching in addition to reapplication of chip seal as needed to maintain the roads in good condition.

The scope of the 2016 Chip Seal Program includes capital preventative maintenance, such as drainage improvements, base repair and new chip seal on the following streets:

- Penhill
- Pickford
- South Lake Ct
- West Lake Dr
- Garfield Rd
- 11 Mile (east of Seeley)
- Taft Rd
- Austin
- Charlotte

One bid was received and opened on April 28, 2016 following a public bid solicitation period. The bidder is Highway Maintenance and Construction. Highway Maintenance's bid is recommended as being in the best interest of the City as it is responsive (i.e., Highway Maintenance has complied with all requirements of the bidding instructions). (URS' award recommendation letter including the bid tabulation dated May 10, 2016 is attached). A summary of the one bid received is as follows:

<b>Contractor</b>	<b>Bid Price</b>
<b>Highway Maintenance &amp; Construction</b>	<b>\$161,591.85</b>

Although only one bid was received, staff can recommend award based on the comparison with the engineer's estimate prepared at the time of bid advertisement; the base bid is approximately 12% under the estimate (excluding crew days. The drainage improvements detailed in the alternate bid were 271% greater than the engineers estimate (\$139,350 bid versus \$51,380 estimated). This overage is mostly likely associated with lack of competition in the bidding process and the primary contractor needing to subcontract out the specialized underground work. Staff recommends awarding the base bid only at this time and incorporating the drainage work into a future contract.

It is anticipated that this project will be completed by late summer/fall 2016. The contractor for this project is the same contractor that successfully completed the City of Novi's 2014 and 2015 Chip Seal Programs.

**RECOMMENDED ACTION:** Approval to award a construction contract for the 2016 Chip Seal Program to Highway Maintenance & Construction, the low bidder, in the amount of \$161,592, subject to final review and approval of form of agreement by City Manager's office and the City Attorney.

	1	2	Y	N
<b>Mayor Gatt</b>				
<b>Mayor Pro Tem Staudt</b>				
<b>Council Member Burke</b>				
<b>Council Member Casey</b>				

	1	2	Y	N
<b>Council Member Markham</b>				
<b>Council Member Mutch</b>				
<b>Council Member Wrobel</b>				

# 2016 Chip Seal Program

Location Map



Map Author: A. Wayne  
Date: 11/19/2015  
Project:  
Version #:

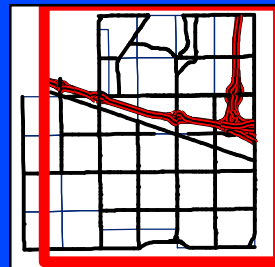
Amended By:  
Date:  
Department:

**MAP INTERPRETATION NOTICE**

Map information depicted is not intended to replace or substitute for any official or primary source. This map was intended to meet National Map Accuracy Standards and use the most recent, accurate sources available to the people of the City of Novi. Boundary measurements and area calculations are approximate and should not be construed as survey measurements performed by a licensed Michigan Surveyor as defined in Michigan Public Act 132 of 1970 as amended. Please contact the City GIS Manager to confirm source and accuracy information related to this map.

**Map Legend**

- 2016 Chip Seal
- Freeway
- Major Streets
- Minor Streets
- Railroad



**City of Novi**

Engineering Division  
Department of Public Services  
26300 Lee BeGole Drive  
Novi, MI 48375  
cityofnovi.org



1 inch = 4,099 feet





May 10, 2016

Mr. Adam Wayne, PE  
City of Novi  
Engineering Department  
26300 Lee BeGole Drive  
Novi, MI 48375

Reference: Bid Analysis and Contract Award Recommendation  
2016 Chip Seal Program  
AECOM Project Number 60486178

Dear Mr. Wayne:

Attached is the Bid Tabulation for the above referenced project. One bid was received and opened. This bid is under the latest Engineer's Estimate. The following irregularities were noted in the bids:

There were minor errors in the bid. Different unit prices were used in the Base Bid and Alternate 1 for Erosion Control, Silt Fence and Shoulder, CI II pay items. These minor errors did not impact the Base Bid.

Highway Maintenance & Construction, the low bidder, has successfully completed similar projects in Novi. We also contacted references and they have performed satisfactorily on these projects. The bonding company listed in the Statement of Qualifications has an AM Best rating that exceeds the minimum requirements.

We recommend award of the Base Bid contract to Highway Maintenance & Construction for the Bid Amount, excluding crew day costs, of \$161,591.85.

Please feel free to contact me if you need anything else or wish to discuss the project.

Sincerely,

Sean Kelsch, P.E.  
Project Manager

cc: Brian Coburn, City of Novi  
Mark Koskinen, AECOM



**City of Novi**  
**2016 Chip Seal Program**  
**Tabulation of Bids**  
 Bids Opened April 28, 2016

Item No.	Item Description	Unit	Engineers Estimate				Highway Maintenance & Construction			
			Unit Price (\$)	Base Bid Cost (\$)	Alternate 1 Cost (\$)	Total Cost Base + Alt 1	Unit Price (\$)	Base Bid Cost (\$)	Alternate 1 Cost (\$)	Total Cost Base + Alt 1
1	Maintaining Traffic	LS	\$10,000.00	\$ 10,000.00	\$ 1,000.00	11,000.00	\$ 12,800.00	\$ 12,800.00		\$ 12,800.00
2	Erosion Control, Silt Fence	Ft	\$3.00	\$ 600.00	\$ 750.00	1,350.00	\$ 5.00	\$ 1,000.00	\$ 500.00	\$ 1,500.00
3	Shoulder, CI II	Ton	\$150.00	\$ 2,700.00	\$ 750.00	3,450.00	\$ 60.00	\$ 1,080.00	\$ 500.00	\$ 1,580.00
4	Dr Structure Cover, Adj, Case 2	Ea	\$750.00	\$ 1,500.00		1,500.00	\$ 1,450.00	\$ 2,900.00		\$ 2,900.00
5	Point-up Drainage Structure	Ea	\$300.00	\$ 600.00		600.00	\$ 150.00	\$ 300.00		\$ 300.00
6	Seal, Single Chip	Syd	\$3.00	\$ 69,921.00		69,921.00	\$ 2.25	\$ 52,440.75		\$ 52,440.75
7	Seal, Single Chip, Patching	Syd	\$3.50	\$ 39,904.90		39,904.90	\$ 2.25	\$ 25,652.25		\$ 25,652.25
8	Seal, Fog	Syd	\$0.80	\$ 18,645.60		18,645.60	\$ 0.55	\$ 12,818.85		\$ 12,818.85
9	Spray Patch	Ton	\$400.00	\$ 20,000.00		20,000.00	\$ 405.00	\$ 20,250.00		\$ 20,250.00
10	Hand Patch	Ton	\$200.00	\$ 12,000.00		12,000.00	\$ 325.00	\$ 19,500.00		\$ 19,500.00
11	Ditching	Ft	\$15.00	\$ 4,350.00		4,350.00	\$ 40.00	\$ 11,600.00		\$ 11,600.00
12	Stop Bar, 24 inch, Cold Plastic	Ft	\$50.00	\$ 2,500.00		2,500.00	\$ 25.00	\$ 1,250.00		\$ 1,250.00
13	Excavation, Earth	Cyd	\$20.00		\$ 2,000.00	2,000.00	\$ 50.00		\$ 5,000.00	\$ 5,000.00
14	Culvert, CI E, 18 inch, Jacked in Place	Ft	\$500.00		\$ 35,000.00	35,000.00	\$ 1,623.00		\$ 113,610.00	\$ 113,610.00
15	Culv End Sect, 18 inch	Ea	\$500.00		\$ 1,000.00	1,000.00	\$ 500.00		\$ 1,000.00	\$ 1,000.00
16	DPW Structure Cover, Adj, Case 2	Ea	\$1,000.00		\$ 2,000.00	2,000.00	\$ 650.00		\$ 1,300.00	\$ 1,300.00
17	DPW Structure, Adj, Add Depth	Ft	\$150.00		\$ 600.00	600.00	\$ 250.00		\$ 1,000.00	\$ 1,000.00
18	Riprap, Plain	Syd	\$50.00		\$ 500.00	500.00	\$ 65.00		\$ 650.00	\$ 650.00
19	Crew Days	Day	\$640.00	\$ -	\$ 1,280.00	1,280.00	\$ 640.00	\$ 9,600.00	\$ 6,400.00	\$ 16,000.00
20	Maintaining Traffic, Bid Alt 1	LS	\$5,000.00	\$ -	\$ 5,000.00	5,000.00	\$ 7,890.00		\$ 7,890.00	\$ 7,890.00
21	Reimbursed Permit Fees	Dlr	\$1.00		\$ 1,500.00	1,500.00	\$ 1,500.00		\$ 1,500.00	\$ 1,500.00
						-				
			Total:	\$ 182,721.50	\$ 51,380.00	234,101.50		\$ 171,191.85	\$ 139,350.00	\$ 310,541.85

**BID**  
**2016 Chip Seal Program Project**

Bid of Highway Maintenance & Construction Corporation hereinafter called Bidder, organized and existing under the laws of or a resident of the State of Michigan, doing business as a Corporation \*

Insert as applicable: "a corporation", "a partnership" or "an individual".

TO THE CITY OF NOVI, MICHIGAN, hereinafter called OWNER:

The undersigned as Bidder hereby declares: that this Bid is made in good faith without fraud or collusion with any person or persons bidding on the same Contract; that the Bidder has read and examined the Advertisement for Bids, Instructions to Bidders, Bid, General Conditions, Supplementary Conditions, Agreement, Forms of Bond, Specifications and Drawings, as prepared by the ENGINEER, and understands all of the same; that the Bidder of its representative has made personal investigation at the site and has become fully familiar with regard to the conditions to be met in the execution of this Contract, and the undersigned proposes to furnish all labor, materials, tools, power, transportation, and construction equipment necessary for the construction of the Project and performing related work in full accordance with the aforesaid Contract Documents, including any and all Addenda officially issued, their receipt of which is hereby acknowledged:

Addendum No.	Addendum Date
<u>1</u>	<u>4/27/16</u>

Bidders shall enter the **SAME UNIT PRICE** for items which appear in both the Base Bid and Alternate Bid sections, excepting for lump sum items and the Crew Days item.

The Contract will be awarded to the lowest responsive, responsible Bidder based on the unit prices for all Work specified. The Bidder agrees to complete the Project for the following unit prices:

**BASE BID**

Item No.	Item Description	Unit	Quantity	Unit Price	Total Price
1	Maintaining Traffic	LS	1	\$12,800	\$12,800
2	Erosion Control, Silt Fence	Ft	200	\$5.00	\$1,000
3	Shoulder, C1 II	Ton	18	\$60.00	\$1,080
4	Dr Structure Cover, Adj, Case 2	Ea	2	\$1,450	\$2,900
5	Point-up Drainage Structure	Ea	2	\$150	\$300
6	Seal, Single Chip	Syd	23,307	\$2.25	\$52,440.75
7	Seal, Single Chip, Patching	Syd	11,401	\$2.25	\$25,652.25
8	Seal, Fog	Syd	23,307	\$0.55	\$12,818.85



**CITY OF NOVI**  
 Rev 3/12/15

**BASE BID**

Item No.	Item Description	Unit	Quantity	Unit Price	Total Price
9	Spray Patch	Ton	50	\$405	\$20,250
10	Hand Patch	Ton	60	\$325	\$19,500
11	Ditching	Ft	290	\$40	\$11,600
12	Stop Bar, 24 inch, Cold Plastic	Ft	50	\$25	\$1,250
19	Crew Days	Day	15	\$640.00	\$9,600
<b>TOTAL BASE BID:</b>				\$	171,191.85

**BID ALTERNATE 1**

Item No.	Item Description	Unit	Quantity	Unit Price	Total Price
2	Erosion Control, Silt Fence	Ft	250	\$ 2.00	\$ 500.
3	Shoulder, CI II	Ton	5	\$ 100	\$ 500
13	Excavation, Earth	Cyd	100	\$ 50	\$ 5,000
14	Culvert, CI E, 18 inch, Jacked in Place	Ft	70	\$ 1623	\$ 113,610
15	Culv End Sect, 18 inch	Ea	2	\$ 500	\$ 1,000
16	DPW Structure Cover, Adj, Case 2	Ea	2	\$ 650	\$ 1,300
17	DPW Structure, Adj, Add Depth	Ft	4	\$ 250	\$ 1,000
18	Riprap, Plain	Syd	10	\$ 65	\$ 650
19	Crew Days	Day	10	\$ 640.00	\$ 6,400
20	Maintaining Traffic, Bid Alt 1	LS	1	\$ 7,890	\$ 7,890
21	Reimbursed Permit Fees	Dlr	1	\$ 1500.00	\$ 1,500
<b>TOTAL BID ALTERNATE 1:</b>				\$	139,350.00

**BID SUMMARY**

BASE BID	\$ 171,191.85
BID ALTERNATE 1	\$ 139,350.00
<b>TOTAL BID</b>	<b>\$ 310,541.85</b>

Bidders must provide unit prices for all items and a quantity for the Crew Day Item.

The City's intent is to award to the lowest responsible bidder. Funding for the project is limited and the City may elect to eliminate Bid Alternate 1 from the contract, roadways from the contract, reduce the



**CITY OF NOVI**  
Rev 3/12/15

If the foregoing Bid shall be accepted by the OWNER, the undersigned agrees to enter into the attached form of Agreement within ten (10) days after receiving notice of such acceptance, will furnish the OWNER satisfactory bonds and certificates of insurance coverage, and will complete the Project, at the price and within the time stated in this Bid.

The undersigned further agrees that if the foregoing Bid shall be accepted, work will commence immediately after the Contract has been awarded, the Agreement executed, and a Notice to Proceed received.

**Substantial Completion shall be no later than August 19, 2016.**

**Final Completion shall be no later than August 26, 2016.**

The undersigned attaches hereto its Bid security, as required by the Advertisement for Bids and Instructions to Bidders. The undersigned agrees that in case it shall fail to fulfill its obligations under the foregoing Bid, and/or shall fail to furnish bonds, as specified, the OWNER may, at its option determine that the undersigned has abandoned its rights and interests in such Contract and that its Bid security accompanying its Bid; has been forfeited to the said OWNER, but otherwise the Bid security shall be returned to the undersigned upon the execution of the Contract and the acceptance of the bonds.

The undersigned also agrees that for each and every calendar day that he may be in default of any of the completion dates listed above, the OWNER will suffer a damage of Six Hundred Dollars (\$600.00) per day, and said OWNER shall be compensated therefore at the rate as liquidated damages in accordance with the Agreement.





In submitting this Bid, it is understood that the right is reserved by the OWNER to accept any bid, to reject any or all Bids, and to waive irregularities in bidding in the interest of the OWNER.

SUBMITTED on April 28 2016  
Date\*

13101 Waheman St / PO Box 74411  
Street\*

Romulus MI 48174  
City, State, ZIP\*

734.941.8885  
Telephone Number\*

734.941.8962  
Facsimile Number\*

BY: Jake Demek - Highway Maintenance & Construction  
Name of Bidder\*

[Signature]  
Signature

Jake Demek Vice President  
Name and Title of Signatory\*

\*Typed or printed in ink.



# BIDDER'S QUALIFICATION AND EXPERIENCE STATEMENT

The OWNER will require supporting evidence regarding Bidder's Qualifications and competency. The Bidder will be required to furnish all of the applicable information listed below, which must be submitted with the sealed Bid at the time of Bid Opening. The Qualifications and Experience Statement must be typewritten and signed in ink.

A fill-in-the blank version of this form is available for your convenience on the City of Novi's website ([www.cityofnovi.org](http://www.cityofnovi.org)) under Forms & Permits/Engineering.

## QUALIFICATIONS AND EXPERIENCE STATEMENT

The undersigned certifies under oath that the information provided herein is true and sufficiently complete so as not to be misleading.

Submitted to: CITY OF NOVI

Address: 26300 LEE BEGOLE DR, NOVI, MI 48375

Submitted by: JEFF DEMEK

Name: \_\_\_\_\_

HIGHWAY MAINTENANCE &  
CONSTRUCTION CO.

Address: \_\_\_\_\_

P.O. Box 74411  
Romulus, MI 48174-0411  
(734) 941-8885

City, State, ZIP \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Fax Number: (734) 941-8962

Principal Office: \_\_\_\_\_

Corporation:  \_\_\_\_\_ Joint Venture: \_\_\_\_\_

Partnership: \_\_\_\_\_ Other: \_\_\_\_\_

Individual: \_\_\_\_\_

Name of Project: 2016 CHISEAL PROJECT

Type of Work (file separate form for each classification of work):

General: \_\_\_\_\_ Roadway Rehabilitation: \_\_\_\_\_

Underground Construction: \_\_\_\_\_

Other: \_\_\_\_\_ (Please Specify)



CITY OF NOVI  
Rev 3/12/15

**Organization**

How many years has your organization been in business as a CONTRACTOR?

44 YEARS

How many years has your organization been in business under its present business name?

44 YEARS

Under what other business names has your organization operated?

If your organization is a corporation, answer the following:

Date of Incorporation: 1972

State of Incorporation: MICHIGAN

President's Name: JEFFREY S. DEMEK

Vice President's Name: JACOB P. DEMEK

Secretary's Name: SANDIA L. DEMEK

Treasurer's Name: \_\_\_\_\_

If your organization is a partnership, answer the following:

Date of Organization: \_\_\_\_\_

Type of Partnership: \_\_\_\_\_

Names of General Partners: \_\_\_\_\_

If your organization is individually owned, answer the following:

Date of Organization: \_\_\_\_\_

Name of OWNER: \_\_\_\_\_

If the form of your organization is other than those listed above, describe it and name the principals:



**Licensing**

List jurisdictional and trade categories in which your organization is legally qualified to do business, and indicate registration or license numbers, if applicable:

List jurisdiction in which your organization’s partnership or trade name is filed:

**Experience**

List the categories of work that your organization normally performs with its own forces:

On a separate sheet, list major construction projects your organization has in progress. List the name of project, owner, architect/engineer, contract amount, percent complete, and scheduled completion date.

On a separate sheet, list the major construction projects your organization has completed in the past five (5) years. List the name of the project, owner, architect/engineer, contract amount, date of completion, and percentage of the cost of the work performed with your own forces.

On a separate sheet, list the construction experience and present commitments of the key individuals of your organization who would be employed in the Work.

**Claims and Suits**

If the answer to any of the questions below is yes, please attach details.

Has your organizations ever failed to complete any work awarded to it? \_\_\_\_\_

Are there any judgments, claims, arbitration proceedings or suits pending or outstanding against your organization or officers? \_\_\_\_\_



Has the City of Novi filed a claim on any contract within the prior three years which asserted that your organization:

1) failed to perform as required by the contract?

\_\_\_\_\_ YES                      ✓ NO

2) completed contracted work in an untimely manner causing delays and interference;

\_\_\_\_\_ YES                      ✓ NO

3) lacked financial resources and the ability to satisfactorily perform the contract or provide the services or supplies;

\_\_\_\_\_ YES                      ✓ NO

4) exhibited poor quality of performance or completed work under the contract;

\_\_\_\_\_ YES                      ✓ NO

5) failed to comply with laws and ordinances relating to the contract performance;

\_\_\_\_\_ YES                      \_\_\_\_\_ NO

6) defaulted on its quotations or prices;

\_\_\_\_\_ YES                      \_\_\_\_\_ NO

**References**

Entity	Contact Name	Phone
<i>Trade References</i>		
1.		
2.		
3.		
<i>Bank References</i>		
1. PNC		
2.		
3.		
<i>Surety</i>		



Name of Bonding Company: \_\_\_\_\_

Name of Bonding Agent: Mc NISH GROUP

Address of Bonding Agent: MARGHER KOHLLOFF

2052 WOODWARD, SUITE 200, ROYAL OAK, MI 48607

SUBMITTED on 4/27/16  
Date\*

\*Typed or printed in ink.

**HIGHWAY MAINTENANCE &  
CONSTRUCTION CO.**  
P.O. Box 74411  
Romulus, MI 48174-0411  
(734) 941-8885

BY: \_\_\_\_\_  
Name of Bidder\*

[Signature]  
Signature

JEFFREY S. DEMEK  
PRESIDENT  
Name and Title of Signatory\*

JEFFREY S. DEMEK being duly sworn deposes and says that the information provided herein is true and sufficiently complete so as not to be misleading.

Subscribed and sworn before me this 27 day of April 2016.

Notary Public: Rebecca D. Smith

My Commission Expires: July 17, 2017

**IF THIS INFORMATION IS NOT SUBMITTED WITH THE SEALED BID AT THE TIME OF BID, THE BID WILL BE CONSIDERED INCOMPLETE.**





# THE AMERICAN INSTITUTE OF ARCHITECTS



AIA Document A310

## Bid Bond

KNOW ALL MEN BY THESE PRESENTS, that we  
**HIGHWAY MAINTENANCE & CONSTRUCTION CO.**  
**12101 Wahrman Road Romulus, MI 48174**

(Here insert full name ,and address or legal title of Contractor)

as Principal, hereinafter called the Principal, and  
**Philadelphia Indemnity Insurance Company**  
**One Bala Plaza, Ste. 100 Bala Cynwyd, PA 19004**

(Here insert full name ,and address or legal title of Surety)

a corporation duly organized under the laws of the State of **Pennsylvania**

as Surety, hereinafter called the Surety, are held and firmly bound unto  
**City Of Novi**  
**45175 West Ten Mile Road Novi, MI 48375**

(Here insert full name ,and address or legal title of Owner)

as Obligee, hereinafter called the Obligee, in the sum of  
**Five Percent of Amount Bid-----Dollars ( 5% of Bid ),**

for the payment of which sum well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid for  
**2016 Chip Seal Program**

(Here insert full name, address and description of project)

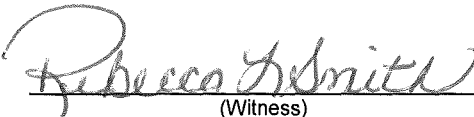
NOW, THEREFORE, if the Obligee shall accept the bid of the Principal and the Principal shall enter into a Contract with the Obligee in accordance with the terms of such bid and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Obligee may in good faith contract with another party to perform the Work covered by said bid then this obligation shall be null and void, otherwise to remain in full force and effect.

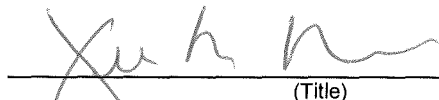
Signed and sealed this **28th** day of **April 2016**

**HIGHWAY MAINTENANCE & CONSTRUCTION CO.**

(Principal)

(Seal)


  
\_\_\_\_\_  
(Witness)


  
\_\_\_\_\_  
(Title)

**Philadelphia Indemnity Insurance Company**

(Surety)

(Seal)

  
\_\_\_\_\_  
(Witness)

  
\_\_\_\_\_  
(Title)

**Nick Ashburn, Attorney-in-Fact**

PHILADELPHIA INDEMNITY INSURANCE COMPANY

One Bala Plaza, Suite 100  
Bala Cynwyd, PA 19004-0950

Power of Attorney

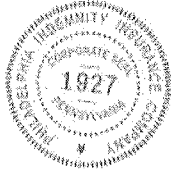
KNOW ALL PERSONS BY THESE PRESENTS: That PHILADELPHIA INDEMNITY INSURANCE COMPANY (the Company), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, does hereby constitute and William J. McNish, Suzanne M. Mocerri, Michelle B. Graham & Nick Ashburn of McNish Group, Inc., its true and lawful Attorney-in-fact with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an amount not to exceed \$5,000,000.00

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PHILADELPHIA INDEMNITY INSURANCE COMPANY at a meeting duly called the 1<sup>st</sup> day of July, 2011.

**RESOLVED:** That the Board of Directors hereby authorizes the President or any Vice President of the Company to: (1) Appoint Attorney(s) in Fact and authorize the Attorney(s) in Fact to execute on behalf of the Company bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and to attach the seal of the Company thereto; and (2) to remove, at any time, any such Attorney-in-Fact and revoke the authority given. And, be it

**FURTHER RESOLVED:** That the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with the respect to any bond or undertaking to which it is attached.

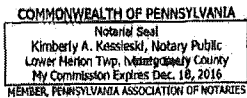
IN TESTIMONY WHEREOF, PHILADELPHIA INDEMNITY INSURANCE COMPANY HAS CAUSED THIS INSTRUMENT TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY ITS AUTHORIZED OFFICE THIS 10<sup>TH</sup> DAY OF JUNE 2013.



(Seal)

Robert D. O'Leary Jr., President & CEO  
Philadelphia Indemnity Insurance Company

On this 10<sup>th</sup> day of June 2013, before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn said that he is the therein described and authorized officer of the PHILADELPHIA INDEMNITY INSURANCE COMPANY; that the seal affixed to said instrument is the Corporate seal of said Company; that the said Corporate Seal and his signature were duly affixed.

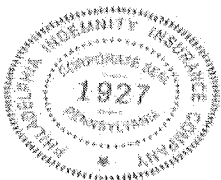


(Notary Seal)

Notary Public: \_\_\_\_\_  
residing at: Bala Cynwyd, PA  
My commission expires: December 18, 2016

I, Edward Sayago, Corporate Secretary of PHILADELPHIA INDEMNITY INSURANCE COMPANY, do hereby certify that the foregoing resolution of the Board of Directors and this Power of Attorney issued pursuant thereto on this 10<sup>TH</sup> day of June 2013 true and correct and are still in full force and effect. I do further certify that Robert D. O'Leary Jr., who executed the Power of Attorney as President, was on the date of execution of the attached Power of Attorney the duly elected President of PHILADELPHIA INDEMNITY INSURANCE COMPANY,

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 28 day of APRIL 2016 ,



Edward Sayago, Corporate Secretary  
PHILADELPHIA INDEMNITY INSURANCE COMPANY