

ORIGINAL - COPY TO USE

AGREEMENT

THIS AGREEMENT, dated May 16, 2017, is made by the CITY OF COSTA MESA, a political subdivision of the State of California ("CITY"), and ALL AMERICAN ASPHALT, a California corporation ("CONTRACTOR").

CITY desires to construct the public work and improvements described below under Scope of Work, Paragraph 1 ("Work").

ACCORDINGLY, the parties hereto agree as follows:

1. SCOPE OF WORK.

The work to be performed consists of:

Project "A": Americans with Disabilities Act (ADA) Parking Stall and Sidewalk Improvements at Fairview Park (2501 Placentia Avenue, Costa Mesa): saw cutting and removal of existing pavement and base; subgrade scarification; placement of Asphalt Concrete ("AC") pavement over crushed aggregate base; cold milling and pavement overlay; removal and disposal of existing wheel stops, and furnishing and installation of new Portland Cement Concrete ("PCC") wheel stops; installation of AC berms; construction of PCC cross gutter; and all signage and striping.

Project "B": Pavement Improvements for City Hall Parking Lot (77 Fair Drive, Costa Mesa): saw cutting and removal of existing pavement and base; subgrade scarification; placement of AC pavement over crushed aggregate base; cold milling and pavement overlay; curb only and curb and gutter construction; removal and construction of ADA curb ramp; truncated dome installation; tree removal, root pruning and root barrier installation; adjustment of sewer manholes and water valve; removal of curb drains and construction of PCC U ditch; adjust/reinstall irrigation system and landscaping as needed; and all signage and striping.

Project "C": Pavement Improvements for Fire Station No. 2 (800 Baker Street, Costa Mesa): relocate existing Conex containers; cold milling and pavement overlay; 6 inch PCC paving; installation of PCC wheel stops; installation of truncated dome matting; adjustment of utility valve cover; and signage and striping.

Project "D": Pavement Improvements for Fire Station No. 4 (2300 Placentia Avenue, Costa Mesa): saw cutting and removal of existing pavement and base; subgrade scarification; placement of AC pavement over crushed aggregate base; installation of truncated domes; installation of polyvinyl chloride ("PVC") sewer pipe, clean out, and installation traffic detector loops and all incidental wiring; installation of wing-gate automatic retractable screen; installation of PCC wheel stops, installation of fire hydrant assembly, including lateral and connection; installation of drop inlet drain; demolition, removal and disposal of open wooden structure, above-ground piping, and utility vaults, and removal and replacement of pavement; and all incidental signage and striping.

Project "E": Tanager Drive Bike Trail Improvements (South of Tanager Drive from Golf Course Drive Easterly to Harbor Boulevard): saw cutting and removal of existing pavement and base; subgrade scarification; placement of AC pavement over crushed aggregate base; sweep and slurry seal; construction of PCC pavement; restoration of existing landscape areas; construction of new curbs at various locations; and all signage and striping.

Project "F": Balearic Community Center Playground Pavement Overlay (1975 Balearic Drive, Costa Mesa): cold milling and construction of an asphalt concrete pavement overlay, to include crack sealing and installation of a pavement fabric, plus providing pavement markings, paintings, and lines to match the existing conditions.

The Work is further described in the "Contract Documents" referred to below.

The project is known as Parking Lot Rehabilitation Project at Various Locations, Tanager Bike Trail, and Balearic Community Center Improvements – City Project No.17-02

("Project").

2. CONTRACT DOCUMENTS.

The complete Agreement consists of the following documents relating to the Project: this Agreement; notice inviting bids; the Contractor's bid; the complete plans, profiles, detailed drawings and specifications, including general provisions and special provisions; the provisions of the most current edition of Standard Specifications for Public Works Construction, published by Building News, Inc., Los Angeles, California, popularly known as "The Greenbook"; Faithful Performance Bond and Labor and Material Bond, including agent's Power of Attorney for each Bond; certificates of insurance; and all addenda setting forth any modifications or interpretations of those documents. The documents comprising the complete Agreement will be referred to as the "Contract Documents."

All of the Contract Documents are intended to complement one another, so that any Work called for in one and not mentioned in another is to be performed as if mentioned in all documents.

In the event of an inconsistency in the Contract Documents the terms of this Agreement shall prevail over all other Contract Documents. The order of precedence between the remaining Contract Documents shall be as set forth in the "Standard Specifications for Public Works Construction" (The Greenbook).

The Contract Documents constitute the entire agreement between the parties and supersede any and all other writings and oral negotiations.

3. CITY'S REPRESENTATIVE.

The CITY'S Representative is Baltazar Mejia, P.E., who shall be referred to herein as the Project Manager ("Project Manager").

4. SCHEDULE.

All Work shall be performed in accordance with the schedule approved on

behalf of CITY by the Project Manager, and in accordance with the time of performance set forth in Paragraph 7.

5. EQUIPMENT - PERFORMANCE OF WORK.

CONTRACTOR shall furnish all tools, equipment, apparatus, facilities, labor and materials necessary to perform and complete the Work of construction in a good and workmanlike manner in strict conformity with the Contract Documents.

The equipment, apparatus, facilities, labor and material shall be furnished and such Work performed and completed as required in the plans and specifications to the satisfaction of the Project Manager or his designee, and subject to his approval.

6. CONTRACT PRICE. Eight Hundred Eighty Thousand Four Hundred Eleven Dollars and Zero Cents (\$880,411.00).

7. TIME OF PERFORMANCE.

Work shall begin within ten (10) working days after the date this Agreement is executed by CITY unless a later time is agreed upon in writing by the parties, and the Work shall be completed within ninety (90) working days from the first day of commencement of the Work.

8. OPTION OF CITY TO TERMINATE AGREEMENT IN EVENT OF FAILURE TO COMPLETE WORK.

If CONTRACTOR refuses or fails to prosecute the Work or any severable part of it with such diligence as will ensure its timely completion, or if CONTRACTOR fails to complete the Work on time, or if CONTRACTOR, or any subcontractor, violates any of the provisions of the Contract Documents, the Project Manager may give written notice to CONTRACTOR and CONTRACTOR'S sureties of the CITY'S intention to terminate this Agreement; and, unless within five (5) days after the serving of that notice, such conduct shall cease and arrangements for the correction thereof be made to the satisfaction of the CITY, this Agreement may be terminated at the option of CITY effective

upon CONTRACTOR'S receipt of a second notice sent by the CITY indicating that the CITY has exercised its option to terminate.

If CONTRACTOR is adjudged a bankrupt or files for any relief under the Federal Bankruptcy Code or State insolvency laws, this Agreement shall automatically terminate without any further action or notice by CITY.

9. LIQUIDATED DAMAGES.

In the event the Work is not completed, for any reason, within the time required including any approved extensions of time, and to the satisfaction of the Project Manager, CITY may, in addition to any other remedies, equitable and legal, including remedies authorized by Paragraph 8 of this Agreement, charge to CONTRACTOR or his sureties, or deduct from payments or credits due CONTRACTOR, a sum equal to \$250.00 as liquidated damages for each day beyond the date provided for the completion of such Work.

The parties hereto agree that the amount set forth above, as liquidated damages constitutes a fair and reasonable estimate of the costs the CITY would suffer for each day that the CONTRACTOR fails to meet the performance schedule. The parties hereby agree and acknowledge that the delays in the performance schedule will cause CITY to incur costs and expenses not contemplated by this Agreement.

10. PERFORMANCE BY SURETIES.

In the event CONTRACTOR fails or refuses to perform the Work, CITY may provide CONTRACTOR with a notice of intent to terminate as provided in paragraph 8, of this Agreement. The CITY shall immediately give written notice of such intent to terminate to CONTRACTOR and CONTRACTOR'S surety or sureties, and the sureties shall have the right to take over and perform this Agreement; provided, however, that the sureties must, within five (5) days after CITY'S giving notice of termination, (a) give the CITY written notice of their intention to take over the performance of this Agreement; (b)

provide adequate assurances, to the satisfaction of the CITY that the Work shall be performed diligently and in a timely manner; and, (c) must commence performance thereof within five (5) days after providing notice to the CITY of their intention to take over the Work. Upon the failure of the sureties to comply with the provisions set forth above, CITY may take over the Work and complete it, at the expense of CONTRACTOR, and the CONTRACTOR and the sureties shall be liable to CITY for any excess costs or damages including those referred to in Paragraph 9, incurred by CITY. In such event, CITY may, without liability for so doing, take possession of such materials, equipment, tools, appliances, Contract Documents and other property belonging to CONTRACTOR as may be on the site of the Work and reasonably necessary therefor and may use them to complete the Work.

11. DISPUTES PERTAINING TO PAYMENT FOR WORK.

Should any dispute arise respecting whether any delay is excusable, or its duration, or the value of the Work done, or of any Work omitted, or of any extra Work which CONTRACTOR may be required to do, or respecting any payment to CONTRACTOR during the performance of this Agreement, such dispute shall be decided by the Project Manager, and his decisions shall be final and binding upon CONTRACTOR and his sureties.

12. SUPERINTENDENCE BY CONTRACTOR.

At all times during performance of the Work, CONTRACTOR shall give personal superintendence or have a competent foreman or superintendent on the worksite, with authority to act for CONTRACTOR.

13. INSPECTION BY CITY.

CONTRACTOR shall at all times maintain proper facilities and provide safe access for inspection by CITY to all parts of the Work and to all shops on or off-site where the Work or portions of the Work, are in preparation. CITY shall have the right of access

to the premises for inspection at all times. However, CITY shall, at all times, comply with CONTRACTOR'S safety requirements on the job site.

14. CARE OF THE WORK AND OFF-SITE AUTHORIZATION.

CONTRACTOR warrants that it has examined the site of the Work and is familiar with its topography and condition, location of property lines, easements, building lines and other physical factors and limitations affecting the performance of this Agreement. CONTRACTOR, at CONTRACTOR'S sole cost and expense, shall obtain any permission, and all approvals, licenses, or easements necessary for any operations conducted off the premises owned or controlled by CITY. CONTRACTOR shall be responsible for the proper care and protection of all materials delivered to the site or stored off-site and for the Work performed until completion and final inspection and acceptance by CITY. The risk, damage or destruction of materials delivered to the site or to Work performed shall be borne by CONTRACTOR.

15. PAYMENTS TO CONTRACTOR.

On or before the last Monday of each and every month during the performance of the Work, CONTRACTOR shall meet with the Project Manager or his designee to determine the quantity of pay items incorporated into the improvement during that month. A "Progress Payment Order" will then be jointly prepared, approved, and signed by the Project Manager and the CONTRACTOR setting forth the amount to be paid and providing for a 5% retention. Upon approval of the progress payment order by the Project Manager, or his designee, it shall be submitted to CITY'S Finance Department and processed for payment by obtaining approval from the City Council to issue a warrant.

Within three (3) days following City Council's approval to issue a warrant, CITY shall mail to CONTRACTOR a warrant for the amount specified in the progress payment order as the amount to be paid. The retained five percent (5%) shall be paid to CONTRACTOR thirty-five (35) days after the recording of the Notice of Completion of the

Work by the COUNTY and after CONTRACTOR shall have furnished releases of all claims against CITY by persons who furnished labor or materials for the Work, if required by CITY.

Upon the request of CONTRACTOR and at his expense, securities equivalent to the amount withheld pursuant to the foregoing provisions may be presented to CITY for substitution for the retained funds. If CITY approves the form and amount of the offered securities it will release the retained funds and will hold the securities in lieu thereof. CONTRACTOR shall be entitled to any interest earned on the securities.

In the event that claims for property damage or bodily injury are presented to CITY arising out of CONTRACTOR'S or any subcontractor's Work under this Agreement; CITY shall give notice thereof to CONTRACTOR, and CONTRACTOR shall have thirty-five (35) days from the mailing of any such notice to evaluate the claim and to settle it by whole or partial payment, or to reject it, and to give notice of settlement or rejection to CITY. If CITY does not receive notice within the above-mentioned thirty-five day period that the claim has been settled, and if the Project Manager, after consultation with the City Attorney, determines that the claim is meritorious, CITY may pay the claim or a portion of it in exchange for an appropriate release from the claimant, and may deduct the amount of the payment from the retained funds that would otherwise be paid to CONTRACTOR upon completion of the Work; provided, however, that the maximum amount paid for any one claim pursuant to this provision shall be one thousand dollars (\$1,000), and the maximum amount for all such claims in the aggregate paid pursuant to this provision shall be five thousand dollars (\$5,000).

16. PROMPT PAYMENT OF SUBCONTRACTORS.

The CONTRACTOR agrees to pay each subcontractor under this Agreement for satisfactory performance of its contract no later than seven (7) days from the receipt of each payment the CONTRACTOR receives from CITY.

The CONTRACTOR agrees further to release retainage payments to each subcontractor within thirty (30) days after the subcontractor's work is satisfactorily completed.

Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the CITY.

17. CONTRACT SECURITY AND GUARANTEE.

Unless previously provided by CONTRACTOR to CITY, CONTRACTOR shall furnish, concurrently with the execution of this Agreement, the following: (1) a surety bond in an amount equal to one hundred percent (100%) of the contract price as security for the faithful performance of this Agreement, and (2) a separate surety bond in an amount equal to at least one hundred percent (100%) of the contract price as security for the payment of all persons furnishing labor or materials in connection with the Work under this Agreement. Sureties for each of the bonds and the forms thereof shall be satisfactory to CITY. In addition, such sureties must be authorized to issue bonds in California; sureties must be listed on the latest revision to the U.S. Department of the Treasury Circular 570; and must be shown to have sufficient bonding capacity to provide the bonds required by the Contract Documents.

CONTRACTOR shall provide a certified copy of the certificate of authority of the surety issued by the Insurance Commissioner; a certificate from the clerk of the county in which the court or officer is located that the certificate of authority of the surety has not been surrendered, revoked, canceled, annulled, or suspended or, in the event that it has, that renewed authority has been granted; and copies of the surety's most recent annual statement and quarterly statement filed with the Department of Insurance pursuant to Article 10 (commencing with Section 900) of Chapter 1 of Part 2 of Division 1 of the Insurance Code.

CONTRACTOR guarantees that all materials used in the Work and all labor

performed shall be in conformity with the Contract Documents including, but not limited to, the standards and specifications set forth in the most current edition of Standard Specifications for Public Works Construction, published by Building News, Inc., Los Angeles, California, more commonly known as "The Greenbook." CONTRACTOR shall, at his own expense, make any and all repairs and replacements that shall become necessary as the result of any failure of the Work to conform to the aforementioned Contract Documents, and standard specifications; provided, however, that CONTRACTOR shall be obligated under this provision only to the extent of those failures or defects of which he is given notice within a period of twelve (12) months from the date that the Notice of Completion is recorded.

The rights and remedies available to CITY pursuant to this provision shall be cumulative with all rights and remedies available to CITY pursuant to statutory and common law, which rights and remedies are hereby expressly reserved, and neither the foregoing guarantee by CONTRACTOR nor his furnishing of the Bonds, nor acceptance thereof by CITY, shall constitute a waiver of any rights or remedies available to CITY against CONTRACTOR.

18. INDEMNIFICATION.

CONTRACTOR agrees to protect, defend, indemnify and hold harmless CITY and its elected and appointed boards, officers, agents, and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorney fees, for injury to or death of any person, and for injury or damage to any property, including consequential damages of any nature resulting therefrom, arising out of or in any way connected with the performance of this Agreement. The defense obligation provided for hereunder shall apply without any advance showing of negligence or wrongdoing by the CONTRACTOR, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, errors,

omissions or misconduct of the CONTRACTOR, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against the CITY, its elected officials, officers, agents and employees based upon the work performed by the CONTRACTOR, its employees, and/or authorized subcontractors under this Agreement, whether or not the CONTRACTOR, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the CONTRACTOR shall not be liable for the defense or indemnification of the CITY for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of the CITY. This provision shall supersede and replace all other indemnity provisions contained either in the CITY's specifications or CONTRACTOR's proposal, which shall be of no force and effect.

CONTRACTOR shall comply with all of the provisions of the Workers' Compensation insurance laws and Safety in Employment laws of the State of California, including the applicable provisions of Divisions 4 and 5 of the California Labor Code and all amendments thereto and regulations promulgated pursuant thereto, and all similar State, Federal or local laws applicable; and CONTRACTOR shall indemnify and hold harmless CITY from and against all claims, liabilities, expenses, damages, suits, actions, proceedings and judgments, of every nature and description, including attorney fees, that may be presented, brought or recovered against CITY for or on account of any liability under or failure to comply with any of said laws which may be incurred by reason of any Work performed under this Agreement by CONTRACTOR or any subcontractor or others performing on behalf of CONTRACTOR.

CITY does not, and shall not, waive any rights against CONTRACTOR which it may have by reason of the above hold harmless agreements, because of the acceptance by CITY or the deposit with CITY by CONTRACTOR of any or all of the insurance policies described in Paragraph 19 of this Agreement.

The hold harmless agreements by CONTRACTOR shall apply to all liabilities, expenses, claims, and damages of every kind (including but not limited to attorney fees) incurred or alleged to have been incurred, by reason of the operations of CONTRACTOR or any subcontractor or others performing on behalf of CONTRACTOR, whether or not such insurance policies are applicable. CONTRACTOR shall require any and all tiers of subcontractors to afford the same degree of indemnification to the CITY OF COSTA MESA and its elected and appointed boards, officers, agents, and employees that is required of CONTRACTOR and shall incorporate identical indemnity provisions in all contracts between CONTRACTOR and all tiers of his subcontractors.

In the event that CONTRACTOR and CITY are sued by a third party for damages caused or allegedly caused by negligent or other wrongful conduct of CONTRACTOR, or by a dangerous condition of CITY'S property created by CONTRACTOR or existing while the property was under the control of CONTRACTOR, CONTRACTOR shall not be relieved of its indemnity obligation to CITY by any settlement with any such third party unless that settlement includes a full release and dismissal of all claims by the third party against the CITY.

19. INSURANCE.

CONTRACTOR shall not commence Work under this Agreement until it has obtained all insurance required under this section and CITY has approved the insurance as to form, amount, and carrier, nor shall CONTRACTOR allow any subcontractor to commence any Work until all similar insurance required of the subcontractor has been obtained and approved.

Neither the failure of CONTRACTOR to supply specified insurance policies and coverage, nor the failure of CITY to approve same shall alter or invalidate the provisions of Paragraph 18 of this Agreement.

A. Workers' Compensation Insurance.

CONTRACTOR shall obtain and maintain during the life of this Agreement workers' compensation insurance and, if any Work is sublet, CONTRACTOR shall require all tiers of subcontractors to obtain workers' compensation insurance.

All workers' compensation insurance policies shall provide that the insurance may not be canceled without thirty (30) days' advance written notice of such cancellation to CITY.

CONTRACTOR agrees to waive, and obtain endorsements from its workers' compensation insurer waiving, subrogation rights under its workers' compensation insurance policy against the CITY and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

B. Liability Insurance Coverage.

CONTRACTOR shall obtain and maintain during the life of this Agreement the following insurance coverage:

(1) Commercial General Liability, including coverage for premises-operations, products/completed operations hazard, blanket contractual, broad form property damage, and independent contractors. In addition, CONTRACTOR shall obtain and maintain during the life of this Agreement each of the following insurance coverage which are not stricken out and initialed by the Project Manager: Explosion and collapse hazard, underground hazard, personal injury, and automobile liability, including owned, hired, and non-owned vehicles. All insurance coverage shall have limits of not less than \$1,000,000.00 combined single limit, per occurrence and aggregate.

(2) Below are approved endorsements which satisfy the basic insurance requirements contained in contracts entered into by City of Costa Mesa. These have been approved by the City Attorney's office. The terms of any specific contract with the City are controlling. Prior to the commencement of any work, the City requires that the Engineer

receive Certificates of Insurance in DUPLICATE for liability coverage of at least \$1,000,000 combined single limit, per occurrence and in the aggregate. Endorsements to the policies providing the above insurance shall be obtained by CONTRACTOR, adding the following three provisions:

(i) Additional Insured:

"The City of Costa Mesa, and its elected and appointed boards, officers, agents, employees, are additional insureds with respect to the subject project and agreement."

(ii) Notice:

"Said policy shall not terminate, nor shall it be canceled nor the coverage reduced, until thirty (30) days after written notice is given to CITY."

(iii) Other Insurance:

"Any other insurance maintained by the City of Costa Mesa, shall be excess and not contributing with the insurance provided by this policy."

If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by City. No policy of insurance issued as to which the City is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

20. PROOF OF INSURANCE.

Prior to award of the contract by the City Council of CITY, CONTRACTOR shall furnish CITY, through the Project Manager, proof of compliance with the above insurance requirements in a form satisfactory to the Risk Management.

21. LEGAL WORK DAY - PENALTIES FOR VIOLATION.

Eight (8) hours of labor shall constitute a legal day's work during any one calendar day. CONTRACTOR shall forfeit to CITY the sum of twenty-five dollars (\$25.00)

for each workman employed in the execution of this Agreement by CONTRACTOR or by any subcontractor for each calendar day during which such workman is required or permitted to work more than eight (8) hours in any one calendar day and 40 hours in any one calendar week in violation of California Labor Code Sections 1810 through 1815, inclusive.

22. PREVAILING WAGE SCALE.

CONTRACTOR shall comply in all respects with Title 40 U.S.C. Section 276a, also known as "The Davis-Bacon Act," where Federal government funds are involved, and CONTRACTOR shall also comply in all respects with California Labor Code, Sections 1770 et seq., including the keeping of all records required by the provisions of Labor Code Section 1776.

Contractor, who is engaged in the construction, prosecution, completion or repair of any public building or public work, or building or work financed in whole or in part by loans or grants from the Federal government, shall furnish each week to CITY'S Project Administration Division a statement with respect to the wages of each of its employees during the preceding weekly payroll period.

23. DRUG-FREE WORKPLACE POLICY.

CONTRACTOR, upon notification of the award of this Agreement, shall establish a Drug-Free Awareness Program to inform employees of the dangers of drug abuse in the workplace, the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace, and the employee assistance programs available to employees. Each employee engaged in the performance of a CITY contract must be notified of this Drug-Free Awareness Program, and must abide by its terms. CONTRACTOR shall conform to all the requirements of CITY'S Policy No. 100-5, attached hereto as Attachment No. 1. Failure to establish a program, notify employees, or inform the CITY of a drug-related workplace conviction will constitute a material breach

of contract and cause for immediate termination of the contract by the CITY.

24. NON – DISCRIMINATION.

In performing this Agreement, CONTRACTOR will not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status or sex, or sexual orientation, except as permitted pursuant to Section 12940 of the Government Code. Violation of this provision may result in the imposition of penalties referred to in Labor Code, Section 1735.

25. CONTRACT ASSURANCE.

The CONTRACTOR or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The CONTRACTOR shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the CONTRACTOR to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as recipient deems appropriate.

The CONTRACTOR will require that the above provision is included in all subcontracts.

26. PROVISIONS CUMULATIVE

The provisions of this Agreement are cumulative and in addition to, and not in limitation of, any other rights or remedies available to CITY.

27. NOTICES.

It shall be the duty and responsibility of CONTRACTOR to notify all tiers of subcontractors and material men of the following special notice provision; namely, all preliminary 20-day notices or stop notices shall be directed only to the City Clerk and to no other department, and shall be either personally delivered or sent by certified mail, postage prepaid.

All other notices shall be in writing and delivered in person or sent by certified mail, postage prepaid. Notices required to be given to CITY pursuant to this Agreement shall be addressed as follows:

City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92626
Attn: Construction Management

Notices required to be given to CONTRACTOR shall be addressed as follows:

All American Asphalt
400 East Sixth Street
Corona, CA 92879
Attn: Edward J. Carlson, Vice President
Phone: (951) 736-7600

Notices required to be given to CONTRACTOR'S sureties shall be addressed as follows:

Fidelity and Deposit Company of Maryland
Karissa Lowry, Agent for Service
2710 Gateway Oaks Drive, Suite 150N
Sacramento, CA 95833

28. INDEPENDENT CONTRACTOR.

The parties hereto acknowledge and agree that the relationship between CITY and CONTRACTOR is one of principal and independent Contractor and no other. All personnel to be utilized by CONTRACTOR in the performance of this Agreement shall be employees of CONTRACTOR and not employees of the CITY. CONTRACTOR shall pay all salaries and wages, employer's social security taxes, unemployment insurance and similar taxes relating to employees and shall be responsible for all applicable withholding taxes. Nothing contained in this Agreement shall create or be construed as creating a partnership, joint venture, employment relations, or any other relationship except as set forth between the parties. The parties specifically acknowledge and agree that CONTRACTOR is not a partner with CITY, whether general or limited, and no activities of CITY or CONTRACTOR or statements made by CITY or CONTRACTOR

shall be interpreted by any of the parties hereto as establishing any type of business relationship other than an independent Contractor relationship.

29. PERS ELIGIBILITY INDEMNIFICATION.

In the event that CONTRACTOR or any employee, agent, or subcontractor of CONTRACTOR providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the CITY, CONTRACTOR shall indemnify, defend, and hold harmless CITY for the payment of any employee and/or employer contributions for PERS benefits on behalf of CONTRACTOR or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of CITY.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, CONTRACTOR and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by CITY, including but not limited to eligibility to enroll in PERS as an employee of CITY and entitlement to any contribution to be paid by CITY for employer contribution and/or employee contributions for PERS benefits.

30. VALIDITY.

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any of the other provisions of this Agreement.

31. GOVERNING LAW.

This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any legal action relating to or arising out of this Agreement shall be subject to the jurisdiction of the County of Orange, California.

32. NO THIRD PARTY BENEFICIARY RIGHTS.

This Agreement is entered into for the sole benefit of the CITY and CONTRACTOR and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

33. ASSIGNABILITY

This Agreement may not be sold, transferred or assigned by either party, or by operation of law, to any other person or persons or business entity, without the other party's written permission. Any such sale, transfer or assignment, or attempted sale, transfer or assignment without written permission, may be deemed by the other party to constitute a voluntary termination of this Agreement and this Agreement shall thereafter be deemed terminated and void.

34. WAIVER.

No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought referring expressly to this Paragraph. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver

35. HEADINGS.

Section and subsection headings are not to be considered part of this Agreement, are included solely for convenience, and are not intended to modify or explain or to be a full or accurate description of the content thereof.

36. COUNTERPARTS.

This Agreement may be executed in one or more counterparts by the parties hereto. All counterparts shall be construed together and shall constitute one Agreement.

37. CORPORATE AUTHORITY.

The persons executing this Agreement on behalf of the Parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said Parties and that by doing so, the Parties hereto are formally bound to the provisions of this Agreement.

38. ADDITIONAL SERVICES.

CONTRACTOR shall not receive compensation for any services provided outside the scope of the Contract Documents unless such additional services, including change orders, are approved in writing by CITY prior to CONTRACTOR performing the additional services.

It is specifically understood that oral requests or approvals of such additional services, change orders or additional compensation and any approvals from CITY shall be barred and are unenforceable.

[Signatures appear on following page.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

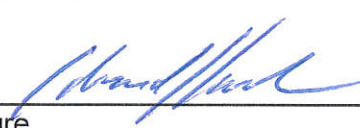
CITY OF COSTA MESA,
A municipal corporation



Katrina Foley
Mayor

Date: 7/14/17


CONTRACTOR

Signature

Date: 6/28/17


Edward J. Carlson, Vice President
Name and Title



Social Security or Taxpayer ID Number

267073

State License Number



Signature

Date: 6/28/17

Michael Farkas Secretary

Name and Title

ATTEST:



Brenda Green
City Clerk



APPROVED AS TO FORM:



Thomas Duarte
City Attorney

Date: 07/11/17


APPROVED AS TO INSURANCE:



Ruth Wang
Risk Management

Date: 6/29/17

APPROVED AS TO PURCHASING:



Stephen Dunivent
Interim Finance Director

Date: 7.11.17

DEPARTMENTAL APPROVAL



For Raja Sethuraman
Public Services Director

Date: 7-7-17



Baltazar Mejia, P.E.
Project Manager

Date: 7-7-17

COUNCIL POLICY – DRUG FREE WORKPLACE

CITY OF COSTA MESA, CALIFORNIA

COUNCIL POLICY

SUBJECT	POLICY NUMBER	EFFECTIVE DATE	PAGE
DRUG-FREE WORKPLACE	100-5	8/08/89	1 OF 3

BACKGROUND

Under the Federal Drug-Free Workplace Act of 1988, passed as part of omnibus drug legislation enacted November 18, 1988, contractors and grantees of Federal funds must certify that they will provide drug-free workplaces. At the present time, the City of Costa Mesa, as a subgrantee of Federal funds under a variety of programs, is required to abide by this Act. The City Council has expressed its support of the national effort to eradicate drug abuse through the creation of a Substance Abuse Committee, institution of a City-wide D.A.R.E. program in all local schools and other activities in support of a drug-free community. This Policy is intended to extend that effort to contractors and grantees of the City of Costa Mesa in the elimination of dangerous drugs in the workplace.

PURPOSE

It is the purpose of this Policy to:

1. Clearly state the City of Costa Mesa's commitment to a drug-free society.
2. Set forth guidelines to ensure that public, private, and nonprofit organizations receiving funds from the City of Costa Mesa share the commitment to a drug-free workplace.

POLICY

The City Manager, under direction by the City Council, shall take the necessary steps to see that the following provisions are included in all contracts and agreements entered into by the City of Costa Mesa involving the disbursement of funds.

1. Contractor or subgrantee hereby certifies that it will provide a drug-free workplace by:
 - A. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possessing, or use of a controlled substance is prohibited in Contractor's and/or subgrantee's workplace, specifically the job site or location included in this contract, and specifying the actions that will be taken against the employees for violation of such prohibition;
 - B. Establishing a Drug-Free Awareness Program to inform employees about:
 1. The dangers of drug abuse in the workplace;

CITY OF COSTA MESA, CALIFORNIA

COUNCIL POLICY

SUBJECT	POLICY NUMBER	EFFECTIVE DATE	PAGE
DRUG-FREE WORKPLACE	100-5	8/08/89	2 OF 3

2. Contractor's and/or subgrantee's policy of maintaining a drug-free workplace;
 3. Any available drug counseling, rehabilitation and employee assistance programs; and
 4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
- C. Making it a requirement that each employee to be engaged in the performance of the contract be given a copy of the statement required by Subparagraph A.
- D. Notifying the employee in the statement required by Subparagraph 1.A that, as a condition of employment under the contract, the employee will:
1. Abide by the terms of the statement; and
 2. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such violation.
- E. Notifying the City of Costa Mesa within ten (10) days after receiving notice under Subparagraph 1.D.2 from an employee or otherwise receiving the actual notice of such conviction.
- F. Taking one of the following actions within thirty (30) days of receiving notice under Subparagraph 1.D.2 with respect to an employee who is so convicted:
1. Taking appropriate personnel action against such an employee, up to and including termination; or
 2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health agency, law enforcement, or other appropriate agency.
- G. Making a good faith effort to maintain a drug-free workplace through implementation of Subparagraph 1.A through 1.F, inclusive.
2. Contractor and/or subgrantee shall be deemed to be in violation of this Policy if the City of Costa Mesa determines that:
- A. Contractor and/or subgrantee has made a false certification under Paragraph 1 above.

CITY OF COSTA MESA, CALIFORNIA

COUNCIL POLICY

SUBJECT

DRUG-FREE WORKPLACE

**POLICY
NUMBER**

100-5

**EFFECTIVE
DATE**

8/08/89

PAGE

3 OF 3

- B. Contractor and/or subgrantee has violated the certification by failing to carry out the requirements of Subparagraphs 1.A through 1.G above.
- C. Such number of employees of Contractor and/or subgrantee have been convicted of violations of criminal drug statutes for violations occurring in the workplace as to indicate that the Contractor and/or subgrantee has failed to make a good faith effort to provide a drug-free workplace.
3. Should any Contractor and/or subgrantee be deemed to be in violation of this Policy pursuant to the provisions of 2.A, B and C, a suspension, termination or debarment proceeding subject to applicable Federal, State, or local laws shall be conducted. Upon issuance of any final decision under this section requiring debarment of a Contractor and/or subgrantee, the Contractor and/or subgrantee shall be ineligible for award of any contract, agreement or grant from the City of Costa Mesa for a period specified in the decision, not to exceed five (5) years. Upon Issuance of any final decision recommending against debarment of the Contractor and/or subgrantee, the Contractor and/or subgrantee shall be eligible for compensation as provided by law.

Bond Number 7653132

**FAITHFUL PERFORMANCE BOND
PUBLIC WORK**

Premium is for contract term and is subject
to adjustment based on final contract price
Executed in: 2 Counterparts

(The premium charge on this bond is \$ 1,778.00, being at
the rate of \$ 3.95 per thousand of the contract price)

KNOW ALL MEN BY THESE PRESENTS:

THAT, WHEREAS the CITY OF COSTA MESA, 77 Fair Drive, Costa Mesa, California 92626, has
entered into a contract dated _____, 20____, which is hereby incorporated by reference
herein, with All American Asphalt

hereinafter designated as the "Principal," for the work described as follows:

TEWINKLE PARK PARKING LOT IMPROVEMENTS (CDBG), CITY PROJECT NO. 17-01

_____; and
WHEREAS, said Principal is required by the terms of said contract to furnish a bond for the
faithful performance of said contract.

NOW, THEREFORE, We the Principal, and Fidelity and Deposit Company of Maryland
a corporation organized and existing under the laws of the State of Maryland
and duly authorized to transact business under the laws of the State of California, as Surety, are held and
firmly bound unto the CITY OF COSTA MESA in the penal sum of Four Hundred Fifty Thousand
Two and 50/100 Dollars (\$ 450,002.50), lawful money of the United States, for the payment of
which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and
successors, jointly and severally, firmly by these presents.

The Condition Of This Obligation Is Such, That, if the above bounden Principal, his or its heirs,
executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and
truly keep and perform the covenants, conditions and agreements in the said contract and any alteration
thereof made as therein provided, or his or their part, to be kept and performed at the time and in the
manner therein specified, and in all respects according to their true intent and meaning, and shall
indemnify and save harmless the CITY OF COSTA MESA, its officers and agents, as therein stipulated,
then this obligation shall become null and void; otherwise it shall be and remain in full force and virtue.

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 or the
specifications accompanying the same shall in any wise affect its obligations 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 the work or to the specifications.

IN WITNESS WHEREOF, We have hereunto set our hands and seals this 9th
day of May, 2017.

All American Asphalt

Edward J. Carlson, Vice President
Fidelity and Deposit Company of Maryland

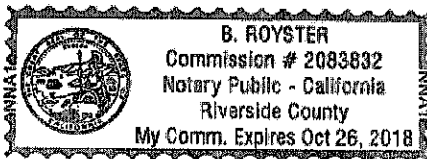
City of Costa Mesa Form - Public Work 2/00

Rebecca Haas-Bates
Rebecca Haas-Bates, Attorney-in-Fact

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of RiversideOn May 12, 2017 before me, B. Royster, Notary Public
Date Here Insert name and Title of the Officerpersonally appeared Edward J. Carlson
Name of Signer

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 forgoing paragraph is true and correct.

WITNESS my hand and official seal.

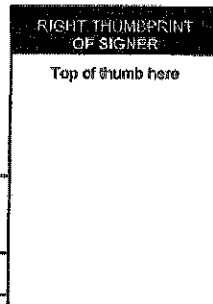
Signature

Signature of Notary PublicPlace Notary Seal Above**OPTIONAL**

Though the information below is not required by law, it may prove valuable to person relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached DocumentTitle or Type of Document Faithful Performance Bond - City of Costa MesaDocument Date: May 9, 2017 Number of Pages: 3Signer(s) Other Than Named Above: Rebecca Haas-Bates, Attorney-in-Fact**Capacity(ies) Claimed by Signer(s)**Signer's Name: Edward J. Carlson☐ Individual☒ Corporate Officer -- Title(s): Vice President☐ Partner ☐ Limited ☐ General☐ Attorney in Fact☐ Trustee☐ Other: _____

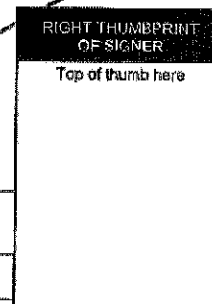
Signer is Representing:

All American Asphalt

Signer's Name: _____

☐ Individual☐ Corporate Officer -- Title(s): _____☐ Partner ☐ Limited ☐ General☐ Attorney in Fact☐ Trustee☐ Other: _____

Signer is Representing:



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of Orange)On 05/09/2017 before me, R. Paramo, Notary Public

Date

Here Insert Name and Title of the Officer

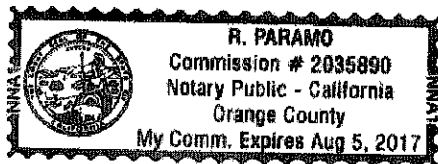
personally appeared Rebecca Haas-Bates

Name(s) of Signer(s)

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

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached DocumentTitle or Type of Document: Performance Bond No. 7653132 Document Date: 05/09/2017Number of Pages: One(1) Signer(s) Other Than Named Above: All American Asphalt**Capacity(ies) Claimed by Signer(s)**Signer's Name: Rebecca Haas-Bates☐ Corporate Officer — Title(s): _____☐ Partner — ☐ Limited ☐ General☐ Individual ☒ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: _____

Signer Is Representing: _____

Fidelity and Deposit Company of Maryland

Signer's Name: _____

☐ Corporate Officer — Title(s): _____☐ Partner — ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other: _____

Signer Is Representing: _____

EXTRACT FROM BY-LAWS OF THE COMPANIES

"Article V, Section 8, Attorneys-in-Fact. The Chief Executive Officer, the President, or any Executive Vice President or Vice President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Company, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify or revoke any such appointment or authority at any time."

CERTIFICATE

I, the undersigned, Vice President of the ZURICH AMERICAN INSURANCE COMPANY, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that Article V, Section 8, of the By-Laws of the Companies is still in force.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the ZURICH AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 15th day of December 1998.

RESOLVED: "That the signature of the President or a Vice President and the attesting signature of a Secretary or an Assistant Secretary and the Seal of the Company may be affixed by facsimile on any Power of Attorney...Any such Power or any certificate thereof bearing such facsimile signature and seal shall be valid and binding on the Company."

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994, and the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seals of the said Companies,
this 9th day of May, 2017.



Gerald F. Haley

By: Gerald F. Haley, Vice President

Premium is included in the performance bond
Executed in: 2 Counterparts
Bond Number 7653132

**LABOR AND MATERIAL BOND TO ACCOMPANY CONTRACT
PUBLIC WORK**

KNOW ALL MEN BY THESE PRESENTS:

THAT, WHEREAS the CITY OF COSTA MESA, 77 Fair Drive, Costa Mesa, California 92626, has awarded to All American Asphalt

hereinafter designated as the "Contractor," a contract which is hereby incorporated by reference herein, for the work described as follows: TEWINKLE PARK PARKING LOT IMPROVEMENTS (CDBG).

CITY PROJECT NO. 17-01

WHEREAS, said Contractor is required by the provisions of Chapter 7, Division 3, Title 15, Sections 3247-3248, Civil Code to furnish a bond in connection with said contract, as hereinafter set forth.

NOW, THEREFORE, We All American Asphalt

the undersigned Contractor, as Principal, and Fidelity and Deposit Company of Maryland
a corporation organized and existing under the laws of the State of Maryland
and duly authorized to transact business under the laws of the State of California, as Surety, are held and firmly bound unto the CITY OF COSTA MESA in the penal sum of Four Hundred Fifty Thousand Two and 50/100
Dollars (\$ 450,002.50), said sum being not less than one-half of the estimated amount payable by the said CITY OF COSTA MESA under the terms of the contract, for which payment well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

The Condition Of This Obligation Is Such, That, if said Contractor, his or its heirs, executors, administrators, successors or assigns, or sub-contractors, shall fail to pay for any materials, provisions, provender or other supplies or teams, implements or machinery used in, upon, for or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, or for amounts due under the Unemployment Insurance Code with respect to such work or labor performed under the above contract, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the Contractor and sub-contractors pursuant to Section 13020 of the Unemployment Insurance Code with respect to such work and labor, the surety or sureties 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 said Surety will pay a reasonable attorney's fee to be fixed by the court. This bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Section 3181 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond. 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 or the specifications accompanying the same shall in any wise affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the work or to the specifications.

IN WITNESS WHEREOF, We have hereunto set our hands and seals this 9th day of May, 2017.

All American Asphalt

Fidelity and Deposit Company of Maryland

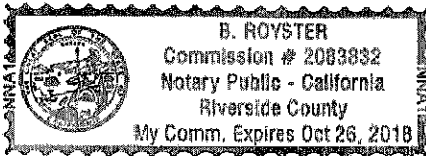
City of Costa Mesa Form - Public Work 2/00

Rebecca Haas-Bates, Attorney-in-Fact

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of RiversideOn May 12, 2017 before me, B. Royster, Notary Public
Date Here Insert name and Title of the Officerpersonally appeared Edward J. Carlson
Name of Signer

Place Notary Seal Above

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

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to person relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached DocumentTitle or Type of Document Labor and Material Bond - City of Costa MesaDocument Date: May 9, 2017 Number of Pages: 3Signer(s) Other Than Named Above: Rebecca Haas-Bates, Attorney-in-Fact**Capacity(ies) Claimed by Signer(s)**Signer's Name: Edward J. Carlson☐ Individual☒ Corporate Officer - Title(s): Vice President☐ Partner ☐ Limited ☐ General☐ Attorney in Fact☐ Trustee☐ Other: _____

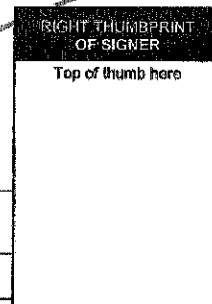
Signer is Representing:

All American Asphalt

Signer's Name: _____

☐ Individual☐ Corporate Officer - Title(s): _____☐ Partner ☐ Limited ☐ General☐ Attorney in Fact☐ Trustee☐ Other: _____

Signer is Representing:



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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State of California)
County of Orange)

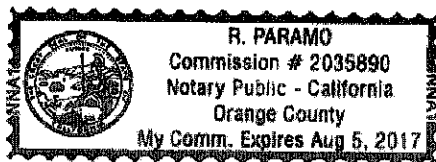
On 05/09/2017 before me, R. Paramo, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Rebecca Haas-Bates
Name(s) of Signer(s)

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 [Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Payment Bond No. 7653132 Document Date: 05/09/2017
Number of Pages: One(1) Signer(s) Other Than Named Above: All American Asphalt

Capacity(ies) Claimed by Signer(s)

Signer's Name: Rebecca Haas-Bates
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☒ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____
Fidelity and Deposit Company of Maryland

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

EXTRACT FROM BY-LAWS OF THE COMPANIES

"Article V, Section 8, Attorneys-in-Fact. The Chief Executive Officer, the President, or any Executive Vice President or Vice President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Company, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify or revoke any such appointment or authority at any time."

CERTIFICATE

I, the undersigned, Vice President of the ZURICH AMERICAN INSURANCE COMPANY, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that Article V, Section 8, of the By-Laws of the Companies is still in force.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the ZURICH AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 15th day of December 1998.

RESOLVED: "That the signature of the President or a Vice President and the attesting signature of a Secretary or an Assistant Secretary and the Seal of the Company may be affixed by facsimile on any Power of Attorney...Any such Power or any certificate thereof bearing such facsimile signature and seal shall be valid and binding on the Company."

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994, and the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seals of the said Companies,
this 9th day of May, 2017.



Gerald F. Haley

By: Gerald F. Haley, Vice President



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
05/09/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER CA LIC 0B29370 Edgewood Partners Insurance Centers (EPIC) [Inland Empire - Branch ID 14542] P.O. Box 5003 San Ramon, CA 94583	1-925-244-7700	CONTACT NAME: Certificates Department PHONE (925) 244-7700 FAX (925) 901-0671 E-MAIL: EPICcerts@epicbrokers.com ADDRESS: EPICcerts@epicbrokers.com
INSURED All American Asphalt P.O. Box 2229 Corona, CA 92878-2229	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A: ARCH SPECIALTY INS CO	21199
	INSURER B: ZURICH AMER INS CO	16535
	INSURER C: AMERICAN GUAR & LIAB INS	26247
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES CERTIFICATE NUMBER: 49805452 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVO	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:		DPCL00585600	08/01/16	08/01/17	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPROP AGG \$ 2,000,000 \$
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		BAP557108804	08/01/16	08/01/17	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
C	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000		SXE019797000	08/01/16	08/01/17	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 Following-Form \$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> N/A	WC593205703	08/01/16	08/01/17	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: City of Costa Mesa / Tewinkle Park Parking Lot Improvements / (CDBG) /

Certificate Holder is Additional Insured if Required by Written Contract Excluding Workers Compensation [2]

CERTIFICATE HOLDER

City of Costa Mesa

77 Fair Drive

Costa Mesa, CA 92626

USA

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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MEMO

To:	Whom it may concern
From:	Edgewood Partners Insurance Centers (EPIC)
Named Insured:	All American Asphalt et al
Policy Number(s):	DPC100585600, BAP557108804, WC593205703, SXS019797000
RE:	Notice of Cancellation

Should the above described policy be cancelled before the expiration date thereof, we will mail 30 days written notice to the Certificate Holder; except, 10 days notice for non-payment of premium.

Sincerely,

Kathy Lopez

Account Manager

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

COMMERCIAL GENERAL LIABILITY SELF-INSURED RETENTION COVERAGE FORM

SECTION II – WHO IS AN INSURED is amended to include as an additional insured those persons or organizations who are required under a written contract with you to be named as an additional insured, but only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of your subcontractors:

- A. In the performance of your ongoing operations or "your work", including "your work" that has been completed; or
- B. In connection with your premises owned by or rented to you.

As used in this endorsement, the words "you" and "your" refer to the Named Insured.

All other terms and conditions of this Policy remain unchanged.

Schedule

The City of Costa Mesa and its elected and appointed boards, officers, agents, and employees

Project

RE: City of Costa Mesa / Tewinkle Park Parking Lot Improvements / (CDBG) /

Endorsement Number:

This endorsement is effective on the inception date of this policy unless otherwise stated herein.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Policy Number: DPC100585600

Named Insured: All American Asphalt et al

Endorsement Effective Date: August 1, 2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OTHER INSURANCE - BROAD FORM, CGL POLICY ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Under **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**, the following paragraph is added to Condition 4, Other Insurance:

Where the Named Insured is required by a written contract to provide insurance that is primary and non-contributory, and the written contract so requiring is executed by the Named Insured before any "occurrence" or offense, this insurance will be primary, but only if and to the extent required by that written contract.

All other terms and conditions of this Policy remain unchanged.

Schedule

The City of Costa Mesa and its elected and appointed boards, officers, agents, and employees

Project

RE: City of Costa Mesa / Tewinkle Park Parking Lot Improvements / (CDBG) /

Endorsement Number

This endorsement is effective on the inception date of this policy unless otherwise stated herein.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Policy Number: DPC100585600

Named Insured: All American Asphalt et al

Endorsement Effective Date: August 1, 2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF SUBROGATION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM
COMMERCIAL GENERAL LIABILITY SELF-INSURED RETENTION COVERAGE FORM

SCHEDULE

Name of Person or Organization: Where required by written contract.

Under **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Condition 8, **Transfer Of Rights Of Recovery Against Others To Us** is amended by the addition of the following provision:

We waive any right of recovery we may have against the person or organization shown in the **SCHEDULE** above because of payments we make for injury or damage arising out of your operations or "your work" done under a written contract with that person or organization.

All other terms and conditions of this Policy remain unchanged.

Schedule

The City of Costa Mesa and its elected and appointed boards,
officers, agents, and employees

Project

RE: City of Costa Mesa / Tewinkle Park Parking Lot
Improvements / (CDBG) /

Endorsement Number:

This endorsement is effective on the inception date of this policy unless otherwise stated herein.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Policy Number: DPC100585600

Named Insured: All American Asphalt et al

Endorsement Effective Date: August 1, 2016

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**DESIGNATED INSURED**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who Is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective: 8/1/16	Countersigned By: (Authorized Representative)
Named Insured: All American Asphalt	

SCHEDULE**Name of Person(s) or Organization(s):**

ANY PERSON OR ORGANIZATION TO WHOM OR WHICH YOU ARE REQUIRED TO PROVIDE ADDITIONAL INSURED STATUS OR ADDITIONAL INSURED STATUS ON A PRIMARY, NON-CONTRIBUTORY BASIS, IN A WRITTEN CONTRACT OR WRITTEN AGREEMENT EXECUTED PRIOR TO LOSS, EXCEPT WHERE SUCH CONTRACT OR AGREEMENT IS PROHIBITED BY LAW.

Schedule

The City of Costa Mesa and its elected and appointed boards, officers, agents, and employees

Project

RE: City of Costa Mesa / Tewinkle Park Parking Lot Improvements / (CDBG) /

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to the endorsement.)

Each person or organization shown in the Schedule is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in Section II of the Coverage Form.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: All American Asphalt Endorsement Effective Date: 8/1/16

SCHEDULE

Name(s) Of Person(s) Or Organization(s): ALL PERSONS AND/OR ORGANIZATIONS THAT ARE REQUIRED BY WRITTEN CONTRACT OR AGREEMENT WITH THE INSURED, EXECUTED PRIOR TO THE ACCIDENT OR LOSS, THAT WAIVER OF SUBROGATION BE PROVIDED UNDER THIS POLICY
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Information required to complete this Schedule, if not shown above, will be shown in the Declarations.
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The Transfer Of Rights Of Recovery Against Others
To Us Condition does not apply to the person(s) or
organization(s) shown in the Schedule, but only to
the extent that subrogation is waived prior to the "ac-
cident" or the "loss" under a contract with that person
or organization.

Schedule

The City of Costa Mesa and its elected and appointed boards,
officers, agents, and employees

Project

RE: City of Costa Mesa / Tewinkle Park Parking Lot
Improvements / (CDBG) /

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT—
CALIFORNIA**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 0.00 % of the California workers' compensation premium otherwise due on such remuneration.

Schedule**Person or Organization**

ALL PERSONS AND/OR
ORGANIZATIONS THAT
ARE REQUIRED BY
WRITTEN CONTRACT OR
AGREEMENT WITH THE
INSURED, EXECUTED
PRIOR TO THE
ACCIDENT OR LOSS,
THAT WAIVER OF
SUBROGATION BE
PROVIDED UNDER THIS
POLICY FOR WORK
PERFORMED BY YOU FOR
THAT PERSON AND/OR
ORGANIZATION

Job Description

ALL CA OPERATION

The City of Costa Mesa and its elected and appointed
boards, officers, agents, and employees

RE: City of Costa Mesa / Tewinkle Park Parking Lot
Improvements / (CDBG) /

All American Asphalt
Policy #WC593205703
8/1/16

Zurich American Ins. Co.