

AGREEMENT

THIS AGREEMENT, dated September 16th, 2014, is made by the CITY OF COSTA MESA, a political subdivision of the State of California ("CITY"), and Patriot Contracting & Engineering, Inc., 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 scope of work consists of reconstruction of curb and gutter, retaining curb, sidewalk, driveway approach, alley intersections; speed humps; shrub removal; new sod placement; alley reconstruction, sidewalk reconstruction; utility adjustments; mobilization, traffic control and all other work as required. The contractor shall furnish all materials, tools, equipment and incidentals necessary to perform and complete the work as shown on the plans and these contract documents, and to the satisfaction of the Engineer.

The Work is further described in the "Contract Documents" section no. 2, referred to below.

The Project is Rehabilitation of Alleys Nos. 67, 69, 99, 100, 101, 117, 118, City Project No. 14-10 ("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 Green Book"; Faithful Performance Bond and Labor and Material Bond, including agent's Power of Attorney for each Bond; certificates of insurance; Federal funding supplement (~~Davis Bacon Act and equal opportunity clause~~), unless this item is stricken out by the Project Manager; 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 Green Book).

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 Fariba Fazeli, 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 - \$598,650.00 (Five hundred ninety-eight thousand, six hundred fifty dollars, and zero cents).

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 forty (40) 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 CITY Engineer, 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 10 days from the receipt of each payment the CONTRACTOR receives from CITY.

The CONTRACTOR agrees further to release retainage payments to each subcontractor within 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. This clause applies to both DBE and non-DBE subcontractors.

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 Green Book." 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 he 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 City Attorney.

21. LEGAL WORK DAY - PENALTIES FOR VIOLATION.

Eight 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:

The City of Costa Mesa
77 Fair Drive
Post Office Box 1200
Costa Mesa, California 92628-1200

Attention: Construction Management

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

Patriot Contracting & Engineering, Inc.
22601 La Palma Avenue, Suite 100
Yorba Linda, CA 92887
Attn: Richard J. Wolfinger, President

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

United Fire & Casualty Company
Mary Bianco, Agent of Service of Process
3880 Atherton Road
Rockline, CA 92765

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. ATTORNEY'S FEES.

In the event any legal proceeding is instituted to enforce any term or provision of this Agreement, the prevailing party in said legal proceeding shall be entitled to recover attorney's fees and costs from the opposing party in an amount determined by the Court to be reasonable.

33. 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.

34. 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.

(THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK. SIGNATURE PAGE FOLLOWS.)

ORIGINAL

THE PREMIUM IS PREDICATED ON THE FINAL CONTRACT PRICE AND IS SUBJECT TO ADJUSTMENT

ISSUED IN TWO ORIGINAL COUNTERPARTS
COUNTERPART NO. 2 OF 2

Bond Number 54202671

FAITHFUL PERFORMANCE BOND
PUBLIC WORK

(The premium charge on this bond is \$ 9,487.00, being at the rate of \$ 25.00 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 Patriot Contracting & Engineering, Inc.

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

Rehabilitation of Alley No. 67, 69, 99, 100, 101, 117 and 118

City Project No. 14-10

; 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 United Fire & Casualty Company

a corporation organized and existing under the laws of the State of Iowa

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 five hundred ninety eight thousand

six hundred fifty and 00/100 Dollars (\$ 598,650.00), 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 14th day of August, 2014.

Patriot Contracting & Casualty Company

By: _____

United Fire & Casualty Company

City of Costa Mesa Form -- Public Work 2/00

Julia B. Gladding, Attorney-In-Fact



**UNITED FIRE & CASUALTY COMPANY, CEDAR RAPIDS, IA
 UNITED FIRE & INDEMNITY COMPANY, GALVESTON, TX
 FINANCIAL PACIFIC INSURANCE COMPANY, ROCKLIN, CA
 CERTIFIED COPY OF POWER OF ATTORNEY**

**Inquiries: Surety Department
 118 Second Ave SE
 Cedar Rapids, IA 52401**

(original on file at Home Office of Company - See Certification)

KNOW ALL PERSONS BY THESE PRESENTS, That UNITED FIRE & CASUALTY COMPANY, a corporation duly organized and existing under the laws of Iowa; UNITED FIRE & INDEMNITY COMPANY, a corporation duly organized and existing under the laws of the State of Texas; and FINANCIAL PACIFIC INSURANCE COMPANY, a corporation duly organized and existing under the laws of the State of California (herein collectively called the Companies), and having their corporate headquarters in Cedar Rapids, State of Iowa, does make, constitute and appoint JULIA B. GLADDING, OR KENNETH A. COATE, BOTH INDIVIDUALLY OF RIVERSIDE CA

their true and lawful Attorney(s)-in-Fact with power and authority hereby conferred to sign, seal and execute in its behalf all lawful bonds, undertakings and other obligatory instruments of similar nature provided that no single obligation shall exceed \$20,000,000.00 and to bind the Companies thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Companies and all of the acts of said Attorney, pursuant to the authority hereby given and hereby ratified and confirmed.

The Authority hereby granted shall expire the 16th day of June, 2016 unless sooner revoked by UNITED FIRE & CASUALTY COMPANY, UNITED FIRE & INDEMNITY COMPANY, AND FINANCIAL PACIFIC INSURANCE COMPANY.

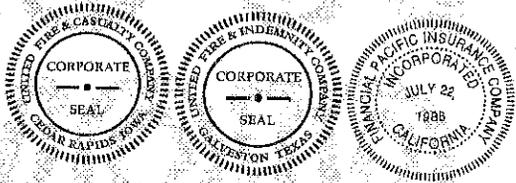
This Power of Attorney is made and executed pursuant to and by authority of the following bylaw duly adopted on May 15, 2013, by the Boards of Directors of UNITED FIRE & CASUALTY COMPANY, UNITED FIRE & INDEMNITY COMPANY, and FINANCIAL PACIFIC INSURANCE COMPANY.

"Article VI - Surety Bonds and Undertakings"

Section 2, Appointment of Attorney-in-Fact. "The President or any Vice President, or any other officer of the Companies may, from time to time, appoint by written certificates attorneys-in-fact to act in behalf of the Companies in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. The signature of any officer authorized hereby, and the Corporate seal, may be affixed by facsimile to any power of attorney or special power of attorney or certification of either authorized hereby; such signature and seal, when so used, being adopted by the Companies as the original signature of such officer and the original seal of the Companies, to be valid and binding upon the Companies with the same force and effect as though manually affixed. Such attorneys-in-fact, subject to the limitations set forth in their respective certificates of authority shall have full power to bind the Companies by their signature and execution of any such instruments and to attach the seal of the Companies thereto. The President or any Vice President, the Board of Directors or any other officer of the Companies may at any time revoke all power and authority previously given to any attorney-in-fact.

IN WITNESS WHEREOF, the COMPANIES have each caused these presents to be signed by its vice president and its corporate seal to be hereto affixed this 16th day of June, 2014

UNITED FIRE & CASUALTY COMPANY
 UNITED FIRE & INDEMNITY COMPANY
 FINANCIAL PACIFIC INSURANCE COMPANY

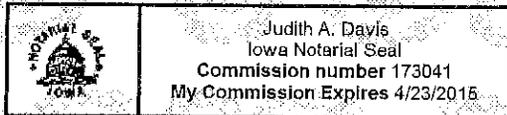


By: [Redacted Signature] Vice President

State of Iowa, County of Linn, ss:

On 16th day of June, 2014, before me personally came Dennis J. Richmann

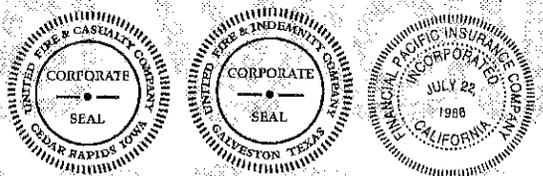
to me known, who being by me duly sworn, did depose and say; that he resides in Cedar Rapids, State of Iowa; that he is a Vice President of UNITED FIRE & CASUALTY COMPANY, a Vice President of UNITED FIRE & INDEMNITY COMPANY, and a Vice President of FINANCIAL PACIFIC INSURANCE COMPANY the corporations described in and which executed the above instrument; that he knows the seal of said corporations; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporations and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporations.



[Redacted Signature] Notary Public
 My commission expires: 4/23/2015

I, David A. Lange, Secretary of UNITED FIRE & CASUALTY COMPANY and Assistant Secretary of UNITED FIRE & INDEMNITY COMPANY, and Assistant Secretary of FINANCIAL PACIFIC INSURANCE COMPANY, do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the bylaws and resolutions of said Corporations as set forth in said Power of Attorney, with the ORIGINALS ON FILE IN THE HOME OFFICE OF SAID CORPORATIONS, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

In testimony whereof I have hereunto subscribed my name and affixed the corporate seal of the said Corporations this 16 day of AUG 14 2014, 2014.



By: [Redacted Signature]

Secretary, UF&C
 Assistant Secretary, UF&I/FPIC

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Riverside

On AUG 14 2014 before me, Stephanie D. Fisher, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Julia B. Gladding
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.

Place Notary Seal Above

Signature 
Signature of Notary Public

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: none

Capacity(ies) Claimed by Signer(s)

Signer's Name: Julia B. Gladding

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

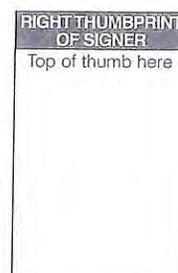
Signer Is Representing: _____



Signer's Name: _____

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

Signer Is Representing: _____



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Orange }

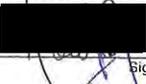
On August 28, 2014 before me, Kristina Natalia, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Richard J. Wolfinger
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  Kristina Natalia
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

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

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Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

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

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: _____

Signer's Name: _____

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

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: _____

ORIGINAL

THE PREMIUM IS PREDICATED ON THE FINAL CONTRACT PRICE AND IS SUBJECT TO ADJUSTMENT

ISSUED IN TWO ORIGINAL COUNTERPARTS
COUNTERPART NO. 2 OF 2

PREMIUM: INCLUDED IN THE PREMIUM CHARGED FOR THE PERFORMANCE BOND

Bond Number 54202671

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 Patriot Contracting & Engineering, Inc.

hereinafter designated as the "Contractor," a contract which is hereby incorporated by reference herein, for the work described as follows: Rehabilitation of Alley No. 67, 69, 99, 100, 101, 117 and 118, City Project No. 14-10

_____ ; and

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 Patriot Contracting & Engineering, Inc.

the undersigned Contractor, as Principal, and United Fire & Casualty Company

a corporation organized and existing under the laws of the State of Iowa

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 five hundred ninety eight thousand six

hundred fifty and 00/100 Dollars (\$ 598,650.00); 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 of 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 14th day of August, 2014.

Patriot Contracting & Engineering, Inc.

By _____

United Fire & Casualty Company

City of Costa Mesa Form - Public Work 2/00

Julia B. Gladding, Attorney-In-Fact



UNITED FIRE & CASUALTY COMPANY, CEDAR RAPIDS, IA
UNITED FIRE & INDEMNITY COMPANY, GALVESTON, TX
FINANCIAL PACIFIC INSURANCE COMPANY, ROCKLIN, CA
CERTIFIED COPY OF POWER OF ATTORNEY

Inquiries: Surety Department
118 Second Ave SE
Cedar Rapids, IA 52401

(original on file at Home Office of Company – See Certification)

KNOW ALL PERSONS BY THESE PRESENTS, That UNITED FIRE & CASUALTY COMPANY, a corporation duly organized and existing under the laws of the State of Iowa; UNITED FIRE & INDEMNITY COMPANY, a corporation duly organized and existing under the laws of the State of Texas; and FINANCIAL PACIFIC INSURANCE COMPANY, a corporation duly organized and existing under the laws of the State of California (herein collectively called the Companies), and having their corporate headquarters in Cedar Rapids, State of Iowa, does make, constitute and appoint JULIA B. GLADDING, OR KENNETH A. COATE, BOTH INDIVIDUALLY OF RIVERSIDE CA

their true and lawful Attorney(s)-in-Fact with power and authority hereby conferred to sign, seal and execute in its behalf all lawful bonds, undertakings and other obligatory instruments of similar nature provided that no single obligation shall exceed \$20,000,000.00 and to bind the Companies thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Companies and all of the acts of said Attorney, pursuant to the authority hereby given and hereby ratified and confirmed.

The Authority hereby granted shall expire the 16th day of June, 2016 unless sooner revoked by UNITED FIRE & CASUALTY COMPANY, UNITED FIRE & INDEMNITY COMPANY, AND FINANCIAL PACIFIC INSURANCE COMPANY.

This Power of Attorney is made and executed pursuant to and by authority of the following bylaw duly adopted on May 15, 2013, by the Boards of Directors of UNITED FIRE & CASUALTY COMPANY, UNITED FIRE & INDEMNITY COMPANY, and FINANCIAL PACIFIC INSURANCE COMPANY.

“Article VI – Surety Bonds and Undertakings”

Section 2, Appointment of Attorney-in-Fact. “The President or any Vice President, or any other officer of the Companies may, from time to time, appoint by written certificates attorneys-in-fact to act in behalf of the Companies in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. The signature of any officer authorized hereby, and the Corporate seal, may be affixed by facsimile to any power of attorney or special power of attorney or certification of either authorized hereby; such signature and seal, when so used, being adopted by the Companies as the original signature of such officer and the original seal of the Companies, to be valid and binding upon the Companies with the same force and effect as though manually affixed. Such attorneys-in-fact, subject to the limitations set forth in their respective certificates of authority shall have full power to bind the Companies by their signature and execution of any such instruments and to attach the seal of the Companies thereto. The President or any Vice President, the Board of Directors or any other officer of the Companies may at any time revoke all power and authority previously given to any attorney-in-fact.

IN WITNESS WHEREOF, the COMPANIES have each caused these presents to be signed by its vice president and its corporate seal to be hereto affixed this 16th day of June, 2014

UNITED FIRE & CASUALTY COMPANY
UNITED FIRE & INDEMNITY COMPANY
FINANCIAL PACIFIC INSURANCE COMPANY

By: [Redacted] Vice President



State of Iowa, County of Linn, ss:

On 16th day of June, 2014, before me personally came Dennis J. Richmann

to me known, who being by me duly sworn, did depose and say, that he resides in Cedar Rapids, State of Iowa; that he is a Vice President of UNITED FIRE & CASUALTY COMPANY, a Vice President of UNITED FIRE & INDEMNITY COMPANY, and a Vice President of FINANCIAL PACIFIC INSURANCE COMPANY the corporations described in and which executed the above instrument; that he knows the seal of said corporations; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporations and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporations.



[Redacted] Notary Public
My commission expires: 4/23/2015

I, David A. Lange, Secretary of UNITED FIRE & CASUALTY COMPANY and Assistant Secretary of UNITED FIRE & INDEMNITY COMPANY, and Assistant Secretary of FINANCIAL PACIFIC INSURANCE COMPANY, do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the bylaws and resolutions of said Corporations as set forth in said Power of Attorney, with the ORIGINALS ON FILE IN THE HOME OFFICE OF SAID CORPORATIONS, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

In testimony whereof I have hereunto subscribed my name and affixed the corporate seal of the said Corporations this _____ day of **AUG 14 2014**, 20_____.



By: [Redacted] Secretary, UF&C
Assistant Secretary, UF&I/FPIC

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Riverside

On AUG 14 2014 before me, Stephanie D. Fisher, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Julia B. Gladding
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.

Place Notary Seal Above

Signature _____
Signature of Notary Public

OPTIONAL

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

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: none

Capacity(ies) Claimed by Signer(s)

Signer's Name: Julia B. Gladding

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

Signer Is Representing: _____



Signer's Name: _____

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

Signer Is Representing: _____



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Orange }

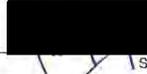
On August 28, 2014 before me, Kristina Natalia, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Richard J. Wolfinger
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  Kristina Natalia
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

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- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: _____

Signer's Name: _____

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

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: _____

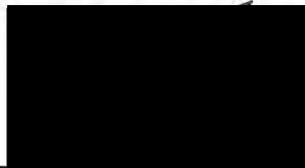
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written

ATTEST:



City Clerk of the City of Costa Mesa

CITY OF COSTA MESA



Mayor of the City of Costa Mesa

APPROVED AS TO FORM:



City Attorney

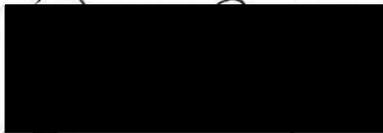
CONTRACTOR: Patriot Contracting & Engineering, Inc.



Richard J. Wolfinger

Title: President

APPROVED FOR CONTENT:



Fariba Fazeli, P.E.,
City Engineer

State License No.: 971096

Federal Tax I.D. No.: 

Address: 22601 La Palma Avenue, Suite 100
Yorba Linda, CA 92887

Telephone: 714-340-3158

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 manufacturer, 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 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	POLICY NUMBER	EFFECTIVE DATE	PAGE
DRUG-FREE WORKPLACE	100-5	8/08/89	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.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

08/29/2014

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 714-525-5656 714-525-0400
 MULTI-PACIFIC INSURANCE AGENCY, INC.
 P.O. BOX 4073

CONTACT NAME: MULTI-PACIFIC INSURANCE AGENCY, INC.
 PHONE (A/C No., Ext): 714-525-5656 FAX (A/C No.): 714-525-0400
 E-MAIL ADDRESS:

FULLERTON, CA 92834-4073

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: MT. HAWLEY INSURANCE CO.	
INSURER B: PROGRESSIVE INSURANCE	
INSURER C: STATE COMP INSURANCE FUND	
INSURER D:	
INSURER E:	
INSURER F:	

INSURED
 PATRIOT CONTRACTING & ENGINEERING, INC.
 1240 N. VAN BUREN ST., STE. 111
 ANAHEIM, CA. 92807

COVERAGES

CERTIFICATE NUMBER:

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 INSD WVD	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"/> PROTECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER	<input checked="" type="checkbox"/>	MGL0180436	02/10/2014	02/10/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Per occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	<input checked="" type="checkbox"/>	02075513-1	02/18/2014	02/14/2015	COMBINED SINGLE LIMIT (Per accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB EXCESS LIAB OCCUR CLAIMS-MADE DED. RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
C	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 Y N/A	9048485-14	03/05/2014	03/05/2015	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER 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 Project No. 14-10, Rehabilitation of Alley Nos. 67, 69, 99, 100, 101, 117 and 118

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

CERTIFICATE HOLDER

CITY OF COSTA MESA
 77 FAIR DRIVE
 COSTA MESA, CA. 92626

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

KAREN FARNHAM

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS
(FORM C)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you.

To the extent required under contract, this policy will apply as primary insurance to additional insureds scheduled hereon and other insurance which may be available to such additional insureds will be non-contributory.

Section IV., Condition 4., of this policy is amended accordingly.

SCHEDULE

Name of Person or Organization:

The City of Costa Mesa and the State of California – Department of Transportation (CALTRANS) and both their elected and appointed boards, officers, agents and employees are additional insureds with respect to the subject project and agreement as required by contract.

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

Said policy shall not terminate, nor shall it be canceled nor the coverage reduced until thirty (30) days written notice given to City and CALTRANS.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

MULTI PACIFIC INS
PO BOX 4073
FULLERTON, CA 92834
1-714-525-5656

PROGRESSIVE

Policy number: 02075513-1

Undersigned by:
United Fire and Casualty Company
August 26, 2014
Page 1 of 1

Certificate of Insurance

Certificate Holder	Insured	Agent
Additional insured THE CITY OF COSTA MESA 77 FAIR DR COSTA MESA, CA 92628	PATRIOT CONTRACTING & ENGINEERING, INC. 1240 N. VAN BUREN ST., #111 ANAHEIM, CA 92807	MULTI PACIFIC INS PO BOX 4073 FULLERTON, CA 92834

This document certifies that insurance policies identified below have been issued by the designated insurer to the insured named above for the period(s) indicated. This Certificate is issued for information purposes only. It confers no rights upon the certificate holder and does not change, alter, modify, or extend the coverages afforded by the policies listed below. The coverages afforded by the policies listed below are subject to all the terms, exclusions, limitations, endorsements, and conditions of these policies.

Policy Effective Date: Feb 18, 2014

Policy Expiration Date: Feb 18, 2015

Insurance coverage(s)	Limits
Bodily Injury/Property Damage	\$1,000,000 Combined Single Limit
Uninsured/Underinsured Motorist	\$100,000/\$300,000
Any Auto Bodily Injury/Property Damage	\$1,000,000 Combined Single Limit

Description of Location/Vehicles/Special Items

Scheduled autos only

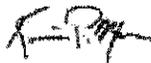
2001 FORD F450 SUPER DUTY 1FDXF46S21EA92760

AND THEIR ELECTED AND APPOINTED BOARDS, OFFICERS, AGENTS, AND EMPLOYEES

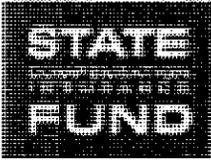
Certificate number

24014A09513

Please be advised that additional insureds and loss payees will be notified in the event of a mid-term cancellation.



ENDORSEMENT AGREEMENT
WAIVER OF SUBROGATION



9048485-14
RENEWAL
SG
5-20-15-30
PAGE 1

HOME OFFICE
SAN FRANCISCO

ALL EFFECTIVE DATES ARE
AT 12:01 AM PACIFIC
STANDARD TIME OR THE
TIME INDICATED AT
PACIFIC STANDARD TIME

EFFECTIVE AUGUST 28, 2014 AT 12.01 A.M.
AND EXPIRING MARCH 5, 2015 AT 12.01 A.M.

PATRIOT CONTRACTING & ENGINEER

22855 SAVI RANCH PKWY STE A
YORBA LINDA, CA 92887

ANYTHING IN THIS POLICY TO THE CONTRARY NOTWITHSTANDING,
IT IS AGREED THAT THE STATE COMPENSATION INSURANCE FUND
WAIVES ANY RIGHT OF SUBROGATION AGAINST,

THE CITY OF COSTA MESA

WHICH MIGHT ARISE BY REASON OF ANY PAYMENT UNDER THIS
POLICY IN CONNECTION WITH WORK PERFORMED BY,

PATRIOT CONTRACTING & ENGINEER

IT IS FURTHER AGREED THAT THE INSURED SHALL MAINTAIN
PAYROLL RECORDS ACCURATELY SEGREGATING THE REMUNERATION
OF EMPLOYEES WHILE ENGAGED IN WORK FOR THE ABOVE
EMPLOYER.

IT IS FURTHER AGREED THAT PREMIUM ON THE EARNINGS OF SUCH
EMPLOYEES SHALL BE INCREASED BY 03%.

NOTHING IN THIS ENDORSEMENT CONTAINED SHALL BE HELD TO VARY, ALTER, WAIVE
OR EXTEND ANY OF THE TERMS, CONDITIONS, AGREEMENTS, OR LIMITATIONS OF THIS
POLICY OTHER THAN AS STATED. NOTHING ELSEWHERE IN THIS POLICY SHALL BE
HELD TO VARY, ALTER, WAIVE OR LIMIT THE TERMS, CONDITIONS, AGREEMENTS OR
LIMITATIONS OF THIS ENDORSEMENT.

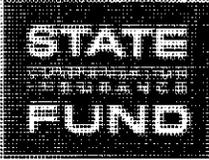
COUNTERSIGNED AND ISSUED AT SAN FRANCISCO:

SEPTEMBER 2, 2014

2570


AUTHORIZED REPRESENTATIVE


PRESIDENT AND CEO



ENDORSEMENT AGREEMENT
CERTIFICATE HOLDERS' NOTICE

9048485-14
RENEWAL
SG
5-20-15-30
PAGE 1

HOME OFFICE
SAN FRANCISCO

EFFECTIVE MARCH 5, 2014 AT 12.01 A.M.

ALLEFFECTIVE DATES ARE
AT 12:01 AM PACIFIC
STANDARD TIME OR THE
TIME INDICATED AT
PACIFIC STANDARD TIME

PATRIOT CONTRACTING & ENGINEER

22855 SAVI RANCH PKWY STE A
YORBA LINDA, CA 92887

ANYTHING IN THIS POLICY TO THE CONTRARY NOTWITHSTANDING,
IT IS AGREED THAT THIS POLICY SHALL NOT BE CANCELLED UNTIL,

30 DAYS

AFTER WRITTEN NOTICE OF SUCH CANCELLATION HAS BEEN PLACED
IN THE MAIL BY STATE FUND TO CURRENT HOLDERS OF
CERTIFICATE OF WORKERS' COMPENSATION INSURANCE.

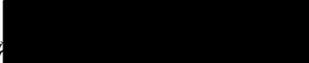
NOTHING IN THIS ENDORSEMENT CONTAINED SHALL BE HELD TO VARY, ALTER, WAIVE
OR EXTEND ANY OF THE TERMS, CONDITIONS, AGREEMENTS, OR LIMITATIONS OF THIS
POLICY OTHER THAN AS STATED. NOTHING ELSEWHERE IN THIS POLICY SHALL BE
HELD TO VARY, ALTER, WAIVE OR LIMIT THE TERMS, CONDITIONS, AGREEMENTS OR
LIMITATIONS OF THIS ENDORSEMENT.

COUNTERSIGNED AND ISSUED AT SAN FRANCISCO: SEPTEMBER 2, 2014

2065



AUTHORIZED REPRESENTATIVE



PRESIDENT AND CEO