

ORIGINAL-COPY TO USE

**CITY OF COSTA MESA  
PUBLIC WORKS AGREEMENT FOR  
CITY PROJECT NO. 18-14**

THIS PUBLIC WORKS AGREEMENT (“Agreement”), dated November 13, 2018 (“Effective Date”), is made by the CITY OF COSTA MESA, a political subdivision of the State of California (“CITY”), and WESTERN AV, 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 consists of providing all labor, materials and services to install a complete audio/visual system at the Lions Park library, located at 1855 Park Ave., Costa Mesa, in accordance with CITY’s specifications, and all other work necessary to complete the Work in accordance with the specifications.

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

The Project is known as Lions Park Library Audio Visual Project, City Project No. 18-14 (“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 The Greenbook: Standard Specifications for Public Works Construction (“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 attached hereto are incorporated herein by this reference. The Greenbook is incorporated by reference as if fully set forth herein. 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 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 Arash Rahimian, 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 or her designee, and subject to his or her approval.

6. CONTRACT PRICE.

Two Hundred Seven Thousand Seven Hundred Twenty-Seven Dollars and Sixty Cents (\$207,727.60).

7. TIME OF PERFORMANCE.

CONTRACTOR shall procure all required equipment and materials by December 28, 2018, unless a later date is specified in CITY's Notice to Proceed. CONTRACTOR shall commence the Work by December 29, 2018, unless a later date is specified in writing by CITY. CONTRACTOR shall complete the Work within twenty-eight (28) working days from the first day of commencement of the Work. Notwithstanding the foregoing, CONTRACTOR understands and agrees that commencement of the Work is contingent upon completion of the library's infrastructure by CITY's General Contractor and that CITY may modify the schedule set forth herein based upon performance by CITY's General Contractor. If any modifications to the schedule set forth herein are required based upon such performance, CITY will notify CONTRACTOR in writing of such modifications, and CONTRACTOR shall complete the Work in accordance with the modified schedule.

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 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 its 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 or her decisions shall be final and binding upon CONTRACTOR and its 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 or her 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 five percent (5%) retention. Upon approval of the progress payment order by the Project Manager, or his or her 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 its 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 35-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 (\$1,000.00), and the maximum amount for all such claims in the aggregate paid pursuant to this provision shall be Five Thousand Dollars (\$5,000.00).

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 The Greenbook. CONTRACTOR shall, at its 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 its 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 its 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 limits, 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 \$1,000,000.00 combined single limits, 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, and 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 commencement of the Work, 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 (1)

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 the Davis-Bacon Act (40 U.S.C. section 276a) and with California Labor Code sections 1770 et seq., including the keeping of all records required by the provisions of Labor Code section 1776.

CONTRACTOR 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. COMPLIANCE WITH ALL LAWS.

CONTRACTOR shall, at its own cost and expense, comply with all applicable local, state, and federal laws, regulations, and requirements in the performance of this Agreement, including but not limited to laws regarding health and safety, labor and employment, and wage and hours.

24. 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.

25. 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 Section 1735 of the California Labor Code.

26. CONTRACT ASSURANCE.

The CONTRACTOR or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Agreement. 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 Agreement, which may result in the termination of this Agreement or such other remedy as recipient deems appropriate.

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

27. 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.

28. 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: Arash Rahimian

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

Western AV  
2592 N. Batavia Street, Suite 2  
Orange, CA 92867  
Attn: Steve Hollingsworth

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

SureTec Insurance Company  
818 West Seventh Street, Suite 930  
Los Angeles, CA 90017  
Attn: Vivian Imperial

29. 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.

30. 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.

31. 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.

32. 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.

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.

35. 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.

36. 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.

37. 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.

38. 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.

39. 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

*for* *Thomas Hatch* Date: *11/19/18*  
Thomas Hatch  
City Manager *Acting City Mgr*

CONTRACTOR

*Jay Shell* Date: *11/14/18*  
Signature

*Jay Shellin - CFO*  
Name and Title

*Steve M. Hollingsworth* Date: *11/14/18*  
Signature

*Steve M. Hollingsworth - Sales Rep*  
Name and Title

*20-2840423*  
Social Security or Taxpayer ID Number

ATTEST:

*Brenda Green*  
Brenda Green  
City Clerk



Date: *11/26/18*

APPROVED AS TO FORM:

*Thomas Duarte*  
Thomas Duarte  
City Attorney

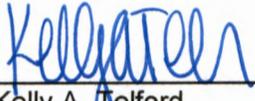
Date: *11/16/18*

APPROVED AS TO INSURANCE:

  
\_\_\_\_\_  
Ruth Wang  
Risk Management

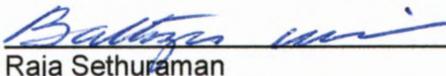
Date: 11/15/18

APPROVED AS TO PURCHASING:

  
\_\_\_\_\_  
Kelly A. Telford  
✓ Finance Director

Date: 11/15/18

DEPARTMENTAL APPROVAL:

*For*   
\_\_\_\_\_  
Raja Sethuraman  
Public Services Director

Date: 11-15-18

  
\_\_\_\_\_  
Arash Rahimian  
Project Manager

Date: 11/15/18

## COUNCIL POLICY – DRUG FREE WORKPLACE

CITY OF COSTA MESA, CALIFORNIA

COUNCIL POLICY

<b>SUBJECT</b>	<b>POLICY NUMBER</b>	<b>EFFECTIVE DATE</b>	<b>PAGE</b>
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

<b>SUBJECT</b>	<b>POLICY NUMBER</b>	<b>EFFECTIVE DATE</b>	<b>PAGE</b>
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

<b>SUBJECT</b>	<b>POLICY NUMBER</b>	<b>EFFECTIVE DATE</b>	<b>PAGE</b>
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.

# GENERAL PREVAILING WAGE APPRENTICE RATES

## APPRENTICE INFORMATION

Determination: 2018-1      Issue Date: 08-22-2017      Expire Date: 06-30-2018      \*\*      Page: 1

Craft/Classification: **Operating Engineer**      Shift: 1

Counties: Imperial, Inyo, Kern, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Luis Obispo, Santa Barbara, Ventura

Period	Duration Months	OJT Hours	Hourly Basic Rate	Health & Welfare	Pension	Vacation /Holiday	Training	Other	Hourly Total Rate
1		1,000	\$28.070	\$11.450		\$3.550	\$1.000	\$.390	\$44.460
2		1,000	\$30.410	\$11.450		\$3.550	\$1.000	\$.390	\$46.800
3		1,000	\$32.750	\$11.450	\$9.650	\$3.550	\$1.000	\$.390	\$58.790
4		1,000	\$35.090	\$11.450	\$9.650	\$3.550	\$1.000	\$.390	\$61.130
5		1,000	\$37.420	\$11.450	\$9.650	\$3.550	\$1.000	\$.390	\$63.460
6		1,000	\$42.100	\$11.450	\$9.650	\$3.550	\$1.000	\$.390	\$68.140

### Footnote(s):

Operating Engineers Group 13 through 25 apprentice wage rates are based on the applicable journeyman's wage rates for that group.

Vacation & Holiday: Includes an amount for Supplemental Dues.

Other: Includes amounts for Industry Fund, Engineers Contract Compliance Committee (ECCC), Contract Administration Fund, and Southern California Partnership for Jobs Fund.

Rates above also apply to crafts:

Tunnel Operating Engineer

Crane, Pile Driver, and Hoisting Equipment Operating Engineer

### JOURNEYMAN PREDETERMINED INCREASES:

Eff. 7/1/2018 - an increase of \$2.30 to be allocated to wages and/or fringes.

There may be corresponding predetermined increase(s) to the apprentices associated with this journeyman craft/classification. Please fax a request to (415) 703-4771 or send to the following address:

Department of Industrial Relations  
Office of the Director - Research Unit  
P.O. Box 420603  
San Francisco, CA 94142-0603

Apprentice Prevailing Wage Rates are paid only to apprentices registered with the State of California, Division of Apprenticeship Standards, for work the registered apprentice performs in his/her specific craft or trade. You may check whether an Apprentices is registered at <http://www.dir.ca.gov/DAS/appcertpw/AppCertSearch.asp>

# GENERAL PREVAILING WAGE APPRENTICE RATES

## APPRENTICE INFORMATION

Determination: 2018-1      Issue Date: 08-22-2017      Expire Date: 06-30-2018      \*\*      Page: 2

Craft/Classification: **Operating Engineer**      Shift: 2

**Special Shift**

Counties: Imperial, Inyo, Kern, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Luis Obispo, Santa Barbara, Ventura

Period	Duration Months	OJT Hours	Hourly Basic Rate	Health & Welfare	Pension	Vacation /Holiday	Training	Other	Hourly Total Rate
1		1,000	\$28.570	\$11.450		\$3.550	\$1.000	\$ .390	\$44.960
2		1,000	\$30.910	\$11.450		\$3.550	\$1.000	\$ .390	\$47.300
3		1,000	\$33.250	\$11.450	\$9.650	\$3.550	\$1.000	\$ .390	\$59.290
4		1,000	\$35.590	\$11.450	\$9.650	\$3.550	\$1.000	\$ .390	\$61.630
5		1,000	\$37.920	\$11.450	\$9.650	\$3.550	\$1.000	\$ .390	\$63.960
6		1,000	\$42.600	\$11.450	\$9.650	\$3.550	\$1.000	\$ .390	\$68.640

**Footnote(s):**

Operating Engineers Group 13 through 25 apprentice wage rates are based on the applicable journeyman's wage rates for that group.

Vacation & Holiday: Includes an amount for Supplemental Dues.

Other: Includes amounts for Industry Fund, Engineers Contract Compliance Committee (ECCC), Contract Administration Fund, and Southern California Partnership for Jobs Fund.

Rates above also apply to crafts:

Tunnel Operating Engineer

Crane, Pile Driver, and Hoisting Equipment Operating Engineer

**JOURNEYMAN PREDETERMINED INCREASES:**

Eff. 7/1/2018 - an increase of \$2.30 to be allocated to wages and/or fringes.

There may be corresponding predetermined increase(s) to the apprentices associated with this journeyman craft/classification. Please fax a request to (415) 703-4771 or send to the following address:

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# GENERAL PREVAILING WAGE APPRENTICE RATES

## APPRENTICE INFORMATION

Determination: **2018-1** Issue Date: **08-22-2017** Expire Date: **06-30-2018** \*\* Page: **3**

Craft/Classification: **Operating Engineer** Shift: **3**

**Multi-shift**

Counties: Imperial, Inyo, Kern, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Luis Obispo, Santa Barbara, Ventura

Period	Duration Months	OJT Hours	Hourly Basic Rate	Health & Welfare	Pension	Vacation /Holiday	Training	Other	Hourly Total Rate
1		1,000	\$28.670	\$11.450		\$3.550	\$1.000	\$.390	\$45.060
2		1,000	\$31.060	\$11.450		\$3.550	\$1.000	\$.390	\$47.450
3		1,000	\$33.450	\$11.450	\$9.650	\$3.550	\$1.000	\$.390	\$59.490
4		1,000	\$35.840	\$11.450	\$9.650	\$3.550	\$1.000	\$.390	\$61.880
5		1,000	\$38.220	\$11.450	\$9.650	\$3.550	\$1.000	\$.390	\$64.260
6		1,000	\$43.000	\$11.450	\$9.650	\$3.550	\$1.000	\$.390	\$69.040

### Footnote(s):

Operating Engineers Group 13 through 25 apprentice wage rates are based on the applicable journeyman's wage rates for that group.

Vacation & Holiday: Includes an amount for Supplemental Dues.

Other: Includes amounts for Industry Fund, Engineers Contract Compliance Committee (ECCC), Contract Administration Fund, and Southern California Partnership for Jobs Fund.

Rates above are for Multi-shift

Rates above also apply to crafts:

Tunnel Operating Engineer

Crane, Pile Driver, and Hoisting Equipment Operating Engineer

### JOURNEYMAN PREDETERMINED INCREASES:

Eff. 7/1/2018 - an increase of \$2.30 to be allocated to wages and/or fringes.

There may be corresponding predetermined increase(s) to the apprentices associated with this journeyman craft/classification. Please fax a request to (415) 703-4771 or send to the following address:

Department of Industrial Relations  
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P.O. Box 420603  
San Francisco, CA 94142-0603

Apprentice Prevailing Wage Rates are paid only to apprentices registered with the State of California, Division of Apprenticeship Standards, for work the registered apprentice performs in his/her specific craft or trade. You may check whether an Apprentices is registered at <http://www.dir.ca.gov/DAS/appcertpw/AppCertSearch.asp>

## Request for Taxpayer Identification Number and Certification

**Give form to the  
 requester. Do not  
 send to the IRS.**

Print or type  
 See Specific Instructions on page 2.

Name (as shown on your income tax return) <b>Western A/V</b>	
Business name, if different from above <b>Western Audio Visual</b>	
Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶ .....	
<input type="checkbox"/> Exempt from backup withholding	
Address (number, street, and apt. or suite no.) <b>6353 Corte Del Abeto, Suite 106</b>	Requester's name and address (optional)
City, state, and ZIP code <b>Carlsbad, CA 92011</b>	
List account number(s) here (optional)	

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number

or

Employer identification number
2   0   2   8   4   0   4   2   3

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

### Part II Certification

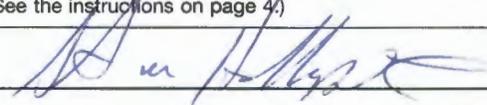
Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

**Sign Here**

Signature of U.S. person ▶



Date ▶

10/9/18

### Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

**U.S. person.** Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes, you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

# Business License Online Services

Finance Department Treasury Management Division (714) 754-5234

Guest

[Home](#) [Report a Problem](#)

Getting Started → Registration → Contacts → Review / Submit

## Business License Online Application

Print Application

Date 10/8/2018 9:55:22 AM  
Confirmation # 005379

### Registration Information

DBA	Western Audio Visual
Corporate Name (if applicable)	Western Audio Visual
Bus Address	1592 N BATAVIA ST STE 2, ORANGE, CA 92867-3554
Mail Address	1592 N BATAVIA ST STE 2, ORANGE, CA 92867-3554
Business Type	CONTRACTOR
Description of Business	Audio Visual Integration
Ownership Type	Corporation
Employee Count	27
Please enter your estimated annual gross receipts.	6,000,000
Start Date in City Of Costa Mesa	11/26/2018
Phone	(714) 637-7272
Phone 2	
Fax	
Website	www.wav1.com
Email Address	jays@wav1.com
Seller's Permit Number	102491670-00000
FEIN	20-2840423
SEIN	
Contact Preference	Email

### State Licensed Contractors

State License #	871609
State License Type	C7
State License Expire Date	01/31/2020

### Additional Information

I would like to join the Costa Mesa Chamber of Commerce (fees will apply at a special introductory rate)	No
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### Owners and Contacts

Officer	Jay Schellin	(714) 936-1010	31 MALLORCA LAGUNA NIGUEL, CA 92677-5644
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### Signature and Declaration

I hereby declare under penalty of perjury that the information provided for this application is true and correct.

Digital Signature:	/Jay Schellin/
Preparer Name:	Jay Schellin
Preparer Phone:	(714) 936-1010

Bond Number 5256976

**FAITHFUL PERFORMANCE BOND**  
**PUBLIC WORK**

(The premium charge on this bond is \$ 4,116.00, being at  
the rate of \$ 25.00/\$15.00 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 November 13, 2018, which is hereby incorporated by reference  
herein, with Western AV, A Corporation  
hereinafter designated as the "Principal," for the work described as follows:  
City of Costa Mesa Lions Park Library Audio Visual (AV) Project #18-14

\_\_\_\_\_ : 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 SureTec Insurance Company  
a corporation organized and existing under the laws of the State of Texas  
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 Two Hundred Seven Thousand Seven Hundred Twenty  
Seven and 60/100 Dollars (\$ 207,727.60), 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 5th  
day of October, 2018.

Western AV, A Corporation  
[Signature]  
SureTec Insurance Company  
[Signature]  
Shaunna Rozelle Ostrom, Attorney-in-Fact

## ACKNOWLEDGMENT

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 )

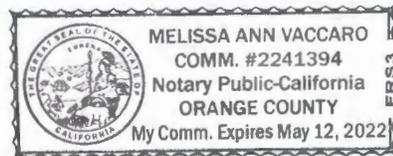
On 10/5/2018 before me, Melissa Ann Vaccaro, Notary Public  
(insert name and title of the officer)

personally appeared Shaunna Rozelle Ostrom,  
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 Melissa Ann Vaccaro (Seal)  
Melissa Ann Vaccaro



# SureTec Insurance Company

## LIMITED POWER OF ATTORNEY

**Know All Men by These Presents**, That SURETEC INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

Arturo Ayala, Daniel Huckabay, Dwight Reilly, Shaunna Rozelle Ostrom, Michael Castaneda, Frank Morones

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include waivers to the conditions of contracts and consents of surety for, providing the bond penalty does not exceed

Fifteen Million and 00/100 Dollars (\$15,000,000.00)

and to bind the Company thereby as fully and to the same extent as if such bond were signed by the CEO, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolutions of the Board of Directors of the SureTec Insurance Company:

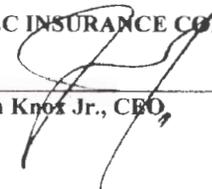
*Be it Resolved*, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

*Attorney-in-Fact* may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

*Be it Resolved*, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. (Adopted at a meeting held on 20<sup>th</sup> of April, 1999.)

**In Witness Whereof**, SURETEC INSURANCE COMPANY has caused these presents to be signed by its CEO, and its corporate seal to be hereto affixed this 28th day of August A.D. 2018 .

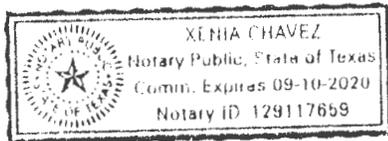
SURETEC INSURANCE COMPANY

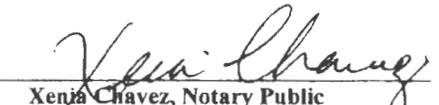
By:   
John Knox Jr., CEO

State of Texas                    ss:  
County of Harris



On this 28th day of August , A.D. 2018 before me personally came John Knox Jr., to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is CEO of SURETEC INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.



  
Xenia Chavez, Notary Public  
My commission expires September 10, 2020

I, M. Brent Beaty, Assistant Secretary of SURETEC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; and furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

Given under my hand and the seal of said Company at Houston, Texas this 5th day of October, 2018, A.D.

  
M. Brent Beaty, Assistant Secretary

Any instrument issued in excess of the penalty stated above is totally void and without any validity. 510023  
For verification of the authority of this power you may call (713) 812-0800 any business day between 8:30 am and 5:00 pm CST.

THE FINAL PREMIUM IS  
PREDICATED ON THE  
FINAL CONTRACT AMOUNT

Bond Number 5256976

**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 Western AV, A Corporation

hereinafter designated as the "Contractor," a contract which is hereby incorporated by reference herein, for the work described as follows: \_\_\_\_\_

City of Costa Mesa Lions Park Library Audio Visual (A/V) Project #18-14

\_\_\_\_\_ ; 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 \_\_\_\_\_  
Western AV, A Corporation

the undersigned Contractor, as Principal, and SureTec Insurance Company,  
a corporation organized and existing under the laws of the State of Texas

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 Two Hundred Seven Thousand Seven Hundred Twenty Seven and 60/100 Dollars (\$ 207,727.60), 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 5th day of October, 2018.

Western AV, A Corporation

*[Signature]*

SureTec Insurance Company

*[Signature]*

Shaunna Rozelle Ostrom, Attorney-in-Fact

## ACKNOWLEDGMENT

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 )

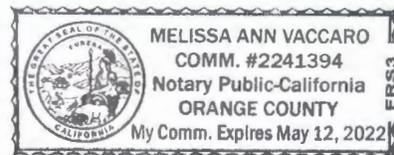
On 10/5/2018 before me, Melissa Ann Vaccaro, Notary Public  
(insert name and title of the officer)

personally appeared Shaunna Rozelle Ostrom,  
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 Melissa Ann Vaccaro (Seal)  
Melissa Ann Vaccaro



# SureTec Insurance Company

## LIMITED POWER OF ATTORNEY

**Know All Men by These Presents**, That SURETEC INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

Arturo Ayala, Daniel Huckabay, Dwight Reilly, Shaunna Rozelle Ostrom, Michael Castaneda, Frank Morones

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include waivers to the conditions of contracts and consents of surety for, providing the bond penalty does not exceed

Fifteen Million and 00/100 Dollars (\$15,000,000.00)

and to bind the Company thereby as fully and to the same extent as if such bond were signed by the CEO, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolutions of the Board of Directors of the SureTec Insurance Company:

*Be it Resolved*, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

*Attorney-in-Fact* may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

*Be it Resolved*, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. (Adopted at a meeting held on 20<sup>th</sup> of April, 1999.)

**In Witness Whereof**, SURETEC INSURANCE COMPANY has caused these presents to be signed by its CEO, and its corporate seal to be hereto affixed this 28th day of August A.D. 2018 .



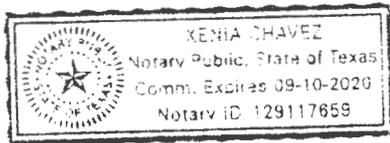
SURETEC INSURANCE COMPANY

By: \_\_\_\_\_

John Knox Jr., CEO

State of Texas                      ss:  
County of Harris

On this 28th day of August , A.D. 2018 before me personally came John Knox Jr., to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is CEO of SURETEC INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.



*Kenia Chavez*  
Kenia Chavez, Notary Public  
My commission expires September 10, 2020

I, M. Brent Beaty, Assistant Secretary of SURETEC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; and furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

Given under my hand and the seal of said Company at Houston, Texas this 5th day of October, 2018, A.D.

*M. Brent Beaty*  
M. Brent Beaty, Assistant Secretary

Any instrument issued in excess of the penalty stated above is totally void and without any validity. 510023  
For verification of the authority of this power you may call (713) 812-0800 any business day between 8:30 am and 5:00 pm CST.





THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CMP-4786.1 ADDITIONAL INSURED — OWNERS, LESSEES, OR CONTRACTORS  
(Scheduled)**

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This endorsement modifies insurance provided under the following:  
BUSINESSOWNERS COVERAGE FORM

**SCHEDULE**

**Policy Number:** G 92 EX5166 6

**Named Insured:**

WESTERN A/V INC  
1592 N BATAVIA ST STE 2  
ORANGE CA 92867-3554

**Name And Address Of Additional Insured Person Or Organization:**

CITY OF COSTA MESA, ITS ELECTED AND APPOINTED BOARDS, OFFICERS, AGENTS,  
AND EMPLOYEES  
77 FAIR DR  
92626 6546 COSTA MESA CA

1. **SECTION II — WHO IS AN INSURED** of **SECTION II — LIABILITY** is amended to include, as an additional insured, any person or organization shown in the Schedule, but only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury" caused, in whole or in part, by:

**a. Ongoing Operations**

- (1) Your acts or omissions; or
  - (2) The acts or omissions of those acting on your behalf;
- in the performance of your ongoing operations for that additional insured; or

**b. Products – Completed Operations**

"Your work" performed for that additional insured and included in the "products-completed operations hazard".

However, Paragraph 1. above is subject to the following:

- a. The insurance afforded to the additional insured only applies to the extent permitted by law;

b. If coverage provided to the additional insured is required by a contract or agreement, the insurance provided to the additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured; and

c. If the contract or agreement between you and the additional insured is governed by California Civil Code Section 2782 or 2782.05, the insurance provided to the additional insured is the lesser of that which:

- (1) Is allowed for the satisfaction of a defense or indemnity obligation by California Civil Code Section 2782 or 2782.05 for your sole liability; or
- (2) You are required by contract or agreement to provide for such additional insured.

We have no duty to defend or indemnify the additional insured under this endorsement until a claim or "suit" is tendered to us.

2. Any insurance provided to the additional insured shall only apply with respect to a claim made or a "suit" brought for damages for which you are provided coverage.

3. With respect to the insurance afforded to the additional insured, the following is added to **SECTION II — LIMITS OF INSURANCE:**

If coverage provided to the additional insured is required by contract or agreement, the most we will pay on behalf of the additional insured will be the lesser of the amount of insurance:

- a. Required by the contract or agreement; or
- b. Available under the applicable Limits Of Insurance shown in the Declarations.

This endorsement shall not increase the applicable Limits Of Insurance shown in the Declarations.

4. With respect to the insurance afforded to the additional insured, the following is added to Paragraph 3. **Duties In The Event Of Occurrence, Offense, Claim Or Suit** of **SECTION II — GENERAL CONDITIONS:**

The additional insured must:

- a. See to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
  - (1) How, when and where the "occurrence" or offense took place;
  - (2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury or damage arising out of the "occurrence" or offense;

b. Tender the defense and indemnity of any claim or "suit" to us and to all other insurers who may have insurance potentially available to the additional insured; and

c. Agree to make available any other insurance the additional insured has for defense or damages for which we would provide coverage under **SECTION II — LIABILITY.**

5. With respect to the insurance afforded the additional insured, the following replaces **SECTION II — LIABILITY** of Paragraph 7. **Other Insurance of SECTION I AND SECTION II — COMMON POLICY CONDITIONS:**

a. This insurance is primary to and will not seek contribution from any other insurance available to the additional insured, provided that the additional insured is a named insured under such other insurance.

b. Regardless of any agreement between you and the additional insured, this insurance is excess over any other insurance whether primary, excess, contingent or on any other basis for which the additional insured has been added as an additional insured on other policies.

There will be no refund of premium in the event this endorsement is cancelled.

All other policy provisions apply.

**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 5 % of the California workers' compensation premium otherwise due on such remuneration.

**Schedule**

Person or Organization

CITY OF COSTA MESA  
ITS ELECTED AND APPOINTED  
BOARDS, OFFICERS, AGENTS, AND  
EMPLOYEES  
77 FAIR DR  
COSTA MESA CA 92626

Job Description

CONTRACT: \$2,000 CODE: 7605

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.  
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 11/01/18  
Insured WESTERN A/V INC

Policy No. 92-LE-8050-7      Endorsement No.  
Insurance Company State Farm Fire and Casualty Company

Countersigned By \_\_\_\_\_