

OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

CONTRACT  
**32630**

THIS CONTRACT is made and entered, in duplicate, as of March 13, 2012 for reference purposes only, pursuant to a minute order adopted by the City Council of the City of Long Beach at its meeting held on March 6, 2012, by and between ENCON TECHNOLOGIES, INC., a California corporation ("Contractor"), whose address is 12145 Mora Drive, Unit 7, Santa Fe Springs, California 90670, and the CITY OF LONG BEACH, a municipal corporation ("City").

WHEREAS, pursuant to a "Notice Inviting Bids for Alamitos Bay Marina Fuel Dock in the City of Long Beach, California," dated January 18, 2012, and published by City, bids were received, publicly opened and declared on the date specified in said Notice; and

WHEREAS, the City Manager accepted the bid of Contractor; and

WHEREAS, the City Council authorized the City Manager to enter a contract with Contractor for the work described in Project Specifications No. R-6903;

NOW, THEREFORE, in consideration of the mutual terms and conditions herein, the parties agree as follows:

1. SCOPE OF WORK. Contractor shall furnish all necessary labor, supervision, tools, materials, supplies, appliances, equipment and transportation for the work described in "Project Specifications No. R-6903 for Alamitos Bay Marina Fuel Dock in the City of Long Beach, California," said work to be performed according to the Contract Documents identified below. However, this Contract is intended to provide to City complete and finished work and, to that end, Contractor shall do everything necessary to complete the work, whether or not specifically described in the Contract Documents.

2. PRICE AND PAYMENT.

A. City shall pay to Contractor the amount(s) for materials and work identified in Contractor's "Bid for Alamitos Bay Marina Fuel Dock in the City

1 of Long Beach, California," attached hereto as Exhibit "A".

2 B. Contractor shall submit requests for progress payments and  
3 City will make payments in due course of payments in accordance with Section 9  
4 of the Standard Specifications for Public Works Construction (latest edition).

5 3. CONTRACT DOCUMENTS.

6 A. The Contract Documents include: The Notice Inviting Bids,  
7 Project Specifications No. R-6903 (which may include by reference the Standard  
8 Specifications for Public Works Construction, latest edition, and any supplements  
9 thereto, collectively the "Standard Specifications"); the City of Long Beach  
10 Standard Plans; the California Code of Regulations; the various Uniform Codes  
11 applicable to trades; the prevailing wage rates; Instructions to Bidders; the Bid; the  
12 bid security; the City of Long Beach Disadvantaged, Minority and Women-Owned  
13 Business Enterprise Program; this Contract and all documents attached hereto or  
14 referenced herein including but not limited to insurance; Bond for Faithful  
15 Performance; Payment Bond; Notice to Proceed; Notice of Completion; any  
16 addenda or change orders issued in accordance with the Standard Specifications;  
17 any permits required and issued for the work; approved final design drawings and  
18 documents; and the Information Sheet. These Contract Documents are  
19 incorporated herein by the above reference and form a part of this Contract.

20 B. Notwithstanding Section 2-5.2 of the Standard Specifications,  
21 if any conflict or inconsistency exists or develops among or between Contract  
22 Documents, the following priority shall govern: 1) Permit(s) from other public  
23 agencies; 2) Change Orders; 3) this Contract (including any and all amendments  
24 hereto); 4) Addenda (which shall include written clarifications, corrections and  
25 changes to the bid documents and other types of written notices issued prior to bid  
26 opening; 5) Project Specifications; 6) Project Plans (including drawings); 7) the  
27 City of Long Beach Standard Plans; 8) Standard Specifications (as identified in  
28 Section 3.A. hereof, the "Greenbook"); 9) other reference specifications; 10)

1 other reference plans; 11) the bid; and 12) the Notice Inviting Bids.

2 4. TIME FOR CONTRACT. Contractor shall commence work on a date  
3 to be specified in a written "Notice to Proceed" from City and shall complete all work  
4 within sixty (60) working days thereafter, subject to strikes, lockouts and events beyond  
5 the control of Contractor. Time is of the essence hereunder. City will suffer damage if  
6 the work is not completed within the time stated, but those damages would be difficult or  
7 impractical to determine. So, Contractor shall pay to City, as liquidated damages, the  
8 amount stated in the Contract Documents.

9 5. ACCEPTANCE OF WORK NOT TO CONSTITUTE A WAIVER. The  
10 acceptance of any work or the payment of any money by City shall not operate as a  
11 waiver of any provision of any Contract Document, of any power reserved to City, or of  
12 any right to damages or indemnity hereunder. The waiver of any breach or any default  
13 hereunder shall not be deemed a waiver of any other or subsequent breach or default.

14 6. WORKERS' COMPENSATION CERTIFICATION. Concurrently  
15 herewith, Contractor shall submit certification of Workers' Compensation coverage in  
16 accordance with California Labor Code Sections 1860 and 3700, a copy of which is  
17 attached hereto as Exhibit "B".

18 7. CLAIMS FOR EXTRA WORK. No claim shall be made at any time  
19 upon City by Contractor for and on account of any extra or additional work performed or  
20 materials furnished, unless such extra or additional work or materials shall have been  
21 expressly required by the City Manager and the quantities and price thereof shall have  
22 been first agreed upon, in writing, by the parties hereto.

23 8. CLAIMS. Contractor shall, upon completion of the work, deliver  
24 possession thereof to City ready for use and free and discharged from all claims for labor  
25 and materials in doing the work and shall assume and be responsible for, and shall  
26 protect, defend, indemnify and hold harmless City from and against any and all claims,  
27 demands, causes of action, liability, loss, costs or expenses for injuries to or death of  
28 persons, or damages to property, including property of City, which arises from or is

1 connected with the performance of the work.

2 9. INSURANCE. Prior to commencement of work, and as a condition  
3 precedent to the effectiveness of this Contract, Contractor shall provide to City evidence  
4 of all insurance required in the Contract Documents.

5 In addition, Contractor shall complete and deliver to City the form  
6 ("Information Sheet") attached as Exhibit "C" and incorporated by reference, to comply  
7 with Labor Code Section 2810.

8 10. WORK DAY. Contractor shall comply with Sections 1810 through  
9 1815 of the California Labor Code regarding hours of work. Contractor shall forfeit, as a  
10 penalty to City, the sum of Twenty-Five Dollars (\$25) for each worker employed by  
11 Contractor or any subcontractor for each calendar day such worker is required or  
12 permitted to work more than eight (8) hours unless that worker receives compensation in  
13 accordance with Section 1815.

14 11. PREVAILING WAGE RATES. Contractor is directed to the  
15 prevailing wage rates. Contractor shall forfeit, as a penalty to the City, Two Hundred  
16 Dollars (\$200) for each laborer, worker or mechanic employed for each calendar day, or  
17 portion thereof, that such laborer, worker or mechanic is paid less than the prevailing  
18 wage rates for any work done by Contractor, or any subcontractor, under this Contract.

19 12. COORDINATION WITH GOVERNMENTAL REGULATIONS.

20 A. If the work is terminated pursuant to an order of any Federal  
21 or State authority, Contractor shall accept as full and complete compensation  
22 under this Contract such amount of money as will equal the product of multiplying  
23 the Contract price stated herein by the percentage of work completed by  
24 Contractor as of the date of such termination, and for which Contractor has not  
25 been paid. If the work is so terminated, the City Engineer, after consultation with  
26 Contractor, shall determine the percentage of work completed and the  
27 determination of the City Engineer shall be final.

28 B. If Contractor is prevented, in any manner, from strict

1 compliance with the Plans and Specifications due to any Federal or State law, rule  
2 or regulation, in addition to all other rights and remedies reserved to the parties  
3 City may by resolution of the City Council suspend performance hereunder until  
4 the cause of disability is removed, extend the time for performance, make changes  
5 in the character of the work or materials, or terminate this Contract without liability  
6 to either party.

7 13. NOTICES.

8 A. Any notice required hereunder shall be in writing and  
9 personally delivered or deposited in the U.S. Postal Service, first class, postage  
10 prepaid, to Contractor at the address first stated herein, and to the City at 333  
11 West Ocean Boulevard, Long Beach, California 90802, Attn: City Manager. Notice  
12 of change of address shall be given in the same manner as stated herein for other  
13 notices. Notice shall be deemed given on the date deposited in the mail or on the  
14 date personal delivery is made, whichever first occurs.

15 B. Except for stop notices and claims made under the Labor  
16 Code, City will notify Contractor when City receives any third party claims relating  
17 to this Contract in accordance with Section 9201 of the Public Contract Code.

18 14. BONDS. Contractor shall, simultaneously with the execution of this  
19 Contract, execute and deliver to City a good and sufficient corporate surety bond, in the  
20 form attached hereto and in the amount specified therein, conditioned upon the faithful  
21 performance of this Contract by Contractor, and a good and sufficient corporate surety  
22 bond, in the form attached hereto and in the amount specified therein, conditioned upon  
23 the payment of all labor and material claims incurred in connection with this Contract.

24 15. COVENANT AGAINST ASSIGNMENT. Neither this Contract nor  
25 any of the moneys that may become due Contractor hereunder may be assigned by  
26 Contractor without the written consent of City first had and obtained, nor will City  
27 recognize any subcontractor as such, and all persons engaged in the work of  
28 construction will be considered as independent contractors or agents of Contractor and

1 will be held directly responsible to Contractor.

2 16. CERTIFIED PAYROLL RECORDS.

3 A. Contractor shall keep and shall cause each subcontractor  
4 performing any portion of the work under this Contract to keep an accurate payroll  
5 record, showing the name, address, social security number, work classification,  
6 straight time and overtime hours worked each day and week, and the actual per  
7 diem wages paid to each journeyman, apprentice, worker, or other employee  
8 employed by Contractor or subcontractor in connection with the work, all in  
9 accordance with Division 2, Part 7, Article 2 of the California Labor Code. Such  
10 payroll records for Contractor and all subcontractors shall be certified and shall be  
11 available for inspection at all reasonable hours at the principal office of Contractor  
12 pursuant to the provisions of Section 1776 of the Labor Code. Contractor's failure  
13 to furnish such records to City in the manner provided herein for notices shall  
14 entitle City to withhold the penalty prescribed by law from progress payments due  
15 to Contractor.

16 B. Upon completion of the work, Contractor shall submit to the  
17 City certified payroll records for Contractor and all subcontractors performing any  
18 portion of the work under this Contract. Certified payroll records for Contractor  
19 and all subcontractors shall be maintained during the course of the work and shall  
20 be kept by Contractor for up to three (3) years after completion of the work.

21 C. The foregoing is in addition to, and not in lieu of, any other  
22 requirements or obligations established and imposed by any department of the  
23 City with regard to submission and retention of certified payroll records for  
24 Contractor and subcontractors.

25 17. RESPONSIBILITY OF CONTRACTOR. Notwithstanding anything to  
26 the contrary in the Standard Specifications, Contractor shall have the responsibility, care  
27 and custody of the work. If any loss or damage occurs to the work that is not covered by  
28 collectible commercial insurance, excluding loss or damage caused by earthquake or

1 flood or the negligence or willful misconduct of City, then Contractor shall immediately  
2 make the City whole for any such loss or pay for any damage. If Contractor fails or  
3 refuses to make the City whole or pay, then City may do so and the cost and expense of  
4 doing so shall be deducted from the amount due Contractor from City hereunder.

5 18. CONTINUATION. Termination or expiration of this Contract shall not  
6 terminate the rights or liabilities of either party which rights or liabilities accrued or existed  
7 prior to termination or expiration of this Contract.

8 19. TAXES AND TAX REPORTING.

9 A. As required by federal and state law, City is obligated to and  
10 will report the payment of compensation to Contractor on Form 1099-Misc.  
11 Contractor shall be solely responsible for payment of all federal and state taxes  
12 resulting from payments under this Contract. Contractor shall submit Contractor's  
13 Employer Identification Number (EIN), or Contractor's Social Security Number if  
14 Contractor does not have an EIN, in writing to City's Accounts Payable,  
15 Department of Financial Management. Contractor acknowledges and agrees that  
16 City has no obligation to pay Contractor until Contractor provides one of these  
17 numbers.

18 B. Contractor shall cooperate with City in all matters relating to  
19 taxation and the collection of taxes, particularly with respect to the self-accrual of  
20 use tax. Contractor shall cooperate as follows: (i) for all leases and purchases of  
21 materials, equipment, supplies, or other tangible personal property totaling over  
22 \$100,000 shipped from outside California, a qualified Contractor shall complete  
23 and submit to the appropriate governmental entity the form in Appendix "A"  
24 attached hereto; and (ii) for construction contracts and subcontracts totaling  
25 \$5,000,000 or more, Contractor shall obtain a sub-permit from the California Board  
26 of Equalization for the Work site. "Qualified" means that the Contractor purchased  
27 at least \$500,000 in tangible personal property that was subject to sales or use tax  
28 in the previous calendar year.

1 C. Contractor shall create and operate a buying company, as  
2 defined in State of California Board of Equalization Regulation 1699, subpart (h),  
3 in City if Contractor will purchase over \$10,000 in tangible personal property  
4 subject to California sales and use tax.

5 D. In completing the form and obtaining the permit(s), Contractor  
6 shall use the address of the Work site as its business address and may use any  
7 address for its mailing address. Copies of the form and permit(s) shall also be  
8 delivered to the City Engineer. The form must be submitted and the permit(s)  
9 obtained as soon as Contractor receives a Notice to Proceed. Contractor shall not  
10 order any materials or equipment over \$100,000 from vendors outside California  
11 until the form is submitted and the permit(s) obtained and, if Contractor does so, it  
12 shall be a material breach of this Contract. In addition, Contractor shall make all  
13 purchases from the Long Beach sales office of its vendors if those vendors have a  
14 Long Beach office and all purchases made by Contractor under this Contract  
15 which are subject to use tax of \$500,000 or more shall be allocated to the City of  
16 Long Beach. Contractor shall require the same cooperation with City, with regards  
17 to subsections B, C and D under this section (including forms and permits), from  
18 its subcontractors and any other subcontractors who work directly or indirectly  
19 under the overall authority of this Contract.

20 E. Contractor shall not be entitled to and by signing this Contract  
21 waives any claim or damages for delay against City if Contractor does not timely  
22 submit these forms to the appropriate governmental entity. Contractor may  
23 contact the City Controller at (562) 570-6450 for assistance with the form.

24 20. ADVERTISING. Contractor shall not use the name of City, its  
25 officials or employees in any advertising or solicitation for business, nor as a reference,  
26 without the prior approval of the City Manager, City Engineer or designee.

27 21. AUDIT. If payment of any part of the consideration for this Contract  
28 is made with federal, state or county funds and a condition to the use of those funds by



1 City is a requirement that City render an accounting or otherwise account for said funds,  
2 then City shall have the right at all reasonable times to examine, audit, inspect, review,  
3 extract information from, and copy all books, records, accounts and other information  
4 relating to this Contract.

5           22. NO PECULIAR RISK. Contractor acknowledges and agrees that the  
6 work to be performed hereunder does not constitute a peculiar risk of bodily harm and  
7 that no special precautions are required to perform said work.

8           23. THIRD PARTY BENEFICIARY. This Contract is intended by the  
9 parties to benefit themselves only and is not in any way intended or designed to or  
10 entered for the purpose of creating any benefit or right of any kind for any person or entity  
11 that is not a party to this Contract.

12           24. SUBCONTRACTORS. Contractor agrees to and shall bind every  
13 subcontractor to the terms of this Contract; provided, however, that nothing herein shall  
14 create any obligation on the part of City to pay any subcontractor except in accordance  
15 with a court order in an action to foreclose a stop notice. Failure of Contractor to comply  
16 with this Section shall be deemed a material breach of this Contract. A list of  
17 subcontractor(s) submitted by Contractor in compliance with Public Contract Code  
18 Sections 4100 et seq. is attached hereto as Exhibit "D" and incorporated herein by this  
19 reference.

20           25. NO DUTY TO INSPECT. No language in this Contract shall create  
21 and City shall not have any duty to inspect, correct, warn of or investigate any condition  
22 arising from Contractor's work hereunder, or to insure compliance with laws, rules or  
23 regulations relating to said work. If City does inspect or investigate, the results thereof  
24 shall not be deemed compliance with or a waiver of any requirements of the Contract  
25 Documents.

26           26. GOVERNING LAW. This Contract shall be governed by and  
27 construed pursuant to the laws of the State of California (except those provisions of  
28 California law pertaining to conflicts of laws).

1           27. INTEGRATION. This Contract, including the Contract Documents  
2 identified in Section 3 hereof, constitutes the entire understanding between the parties  
3 and supersedes all other agreements, oral or written, with respect to the subject matter  
4 herein.

5           28. COSTS. If there is any legal proceeding between the parties to  
6 enforce or interpret this Contract or to protect or establish any rights or remedies  
7 hereunder, the prevailing party shall be entitled to its costs, including reasonable  
8 attorney's fees.

9           29. NONDISCRIMINATION. In connection with performance of this  
10 Contract and subject to federal laws, rules and regulations, Contractor shall not  
11 discriminate in employment or in the performance of this Contract on the basis of race,  
12 religion, national origin, color, age, sex, sexual orientation, gender identity, AIDS, HIV  
13 status, handicap or disability. It is the policy of the City to encourage the participation of  
14 Disadvantaged, Minority and Women-Owned Business Enterprises, and the City  
15 encourages Contractor to use its best efforts to carry out this policy in the award of all  
16 subcontracts.

17           30. EQUAL BENEFITS ORDINANCE. Unless otherwise exempted in  
18 accordance with the provisions of the Ordinance, this Contract is subject to the applicable  
19 provisions of the Equal Benefits Ordinance ("EBO"), section 2.73 et seq. of the Long  
20 Beach Municipal Code, as amended from time to time.

21           A. During the performance of this Contract, the Contractor  
22 certifies and represents that the Contractor will comply with the EBO. The  
23 Contractor agrees to post the following statement in conspicuous places at its  
24 place of business available to employees and applicants for employment:

25           "During the performance of a Contract with the City of Long Beach,  
26 the Contractor will provide equal benefits to employees with spouses and its  
27 employees with domestic partners. Additional information about the City of  
28 Long Beach's Equal Benefits Ordinance may be obtained from the City of

1 Long Beach Business Services Division at 562-570-6200.”

2 B. The failure of the Contractor to comply with the EBO will be  
3 deemed to be a material breach of the Contract by the City.

4 C. If the Contractor fails to comply with the EBO, the City may  
5 cancel, terminate or suspend the Contract, in whole or in part, and monies due or  
6 to become due under the Contract may be retained by the City. The City may also  
7 pursue any and all other remedies at law or in equity for any breach.

8 D. Failure to comply with the EBO may be used as evidence  
9 against the Contractor in actions taken pursuant to the provisions of Long Beach  
10 Municipal Code 2.93 et seq., Contractor Responsibility.

11 E. If the City determines that the Contractor has set up or used  
12 its contracting entity for the purpose of evading the intent of the EBO, the City may  
13 terminate the Contract on behalf of the City. Violation of this provision may be  
14 used as evidence against the Contractor in actions taken pursuant to the  
15 provisions of Long Beach Municipal Code section 2.93 et seq., Contractor  
16 Responsibility.

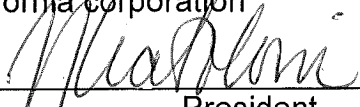
17 31. DEFAULT. Default shall include but not be limited to Contractor's  
18 failure to perform in accordance with the Plans and Specifications, failure to comply with  
19 any Contract Document, failure to pay any penalties, fines or charges assessed against  
20 Contractor by any public agency, failure to pay any charges or fees for services  
21 performed by the City, and if Contractor has substituted any security in lieu of retention,  
22 then default shall also include City's receipt of a stop notice. If default occurs and  
23 Contractor has substituted any security in lieu of retention, then in addition to City's other  
24 legal remedies, City shall have the right to draw on the security in accordance with Public  
25 Contract Code Section 22300 and without further notice to Contractor. If default occurs  
26 and Contractor has not substituted any security in lieu of retention, then City shall have  
27 all legal remedies available to it.

28 ///

1 IN WITNESS WHEREOF, the parties have caused this document to be duly  
2 executed with all formalities required by law as of the date first stated above.

3 ENCON TECHNOLOGIES, INC., a  
4 California corporation

5 April 18, 2012

By   
6 President  
G. Joseph Scatoloni

Type or Print Name

7 April 18, 2012


8 By   
Secretary  
John Scatoloni

Type or Print Name

9 "Contractor"

10 CITY OF LONG BEACH, a municipal  
11 corporation

12 S.22, 2012

13 By  Assistant City Manager  
14 City Manager

EXECUTED PURSUANT  
TO SECTION 301 OF  
THE CITY CHARTER.

15 "City"

16 This Contract is approved as to form on 4/25

17 2012.

18 ROBERT E. SHANNON, City Attorney

19 By   
20 Deputy

OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

# EXHIBIT “A”

Contractor shall perform all construction services, and provide all material, equipment, tools and labor, necessary to complete the Project, consisting of **Item Numbers 1, 2, 4, 5, 6, 7 and 8** as described in the following attachment entitled, “Bid to the City of Long Beach Alamitos Bay Marina Fuel Dock”, for the total alternate bid amount of \$743,789.

BIDDER'S NAME: ENCON Technologies Inc.

**BID TO THE CITY OF LONG BEACH  
ALAMITOS BAY MARINA FUEL DOCK**

In accordance with the Notice Inviting Bids for this Work in the City of Long Beach, California, to be opened on January 18, 2012, at 10:00 a.m., we offer to furnish all necessary labor, tools, materials, appliances and equipment for and perform all Work mentioned in the Notice Inviting Bids, in full compliance with Plans & Specifications No. R-6903 at the prices listed below. We certify that we have examined the site and that the Bid is complete. By signing the Bid, we certify that the Contractor will not submit a claim based on failure to examine the site thoroughly.

The basis for determination of the low bid is the total of Base Bid plus Alternate.

**BASE BID**

ITEM NO.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE (IN FIGURES)	ITEM TOTAL (IN FIGURES)
1.	Plans and Permitting	1	LS	5233.00	5,233.00
2.	UST System Removal	1	LS	211,396.00	211,396.00
3.	Fueling System Installation	1	LS	388,403.00	388,403.00
4.	Storm Drain Replacement	1	LS	1,884.00	1,884.00
5.	Testing and Commissioning	1	LS	16,538.00	16,538.00
6.	Six-month Secondary Containment Testing	1	LS	1,256.00	1,256.00
7.	Allowance for Environmental Remediation and Unforeseen Changes	1	LS	100,000	100,000

**TOTAL BASE BID**

\$ 724,710

**ALTERNATE BID ITEM 1**

ITEM NO.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE (IN FIGURES)	ITEM TOTAL (IN FIGURES)
8.	Three-Inch Piping Option (to replace item 3 if chosen)	1	LS	407,482.00	407,482.00

**TOTAL ALTERNATE BID ITEM 1**

\$ 743,789

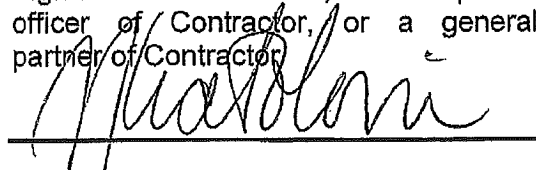
**WORKERS' COMPENSATION CERTIFICATION**

In accordance with California Labor Code Sections 1860 and 3700, I certify that I am aware of the provisions of Section 3700 which requires every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with said provisions before commencing the performance of the Work of this contract.

Contractor's Name:

ENCON Technologies, Inc

Signature of Contractor, or a corporate officer of Contractor, or a general partner of Contractor

Title: PresidentDate: January 17, 2012

## INFORMATION TO COMPLY WITH LABOR CODE SEC. 2810

To comply with Labor Code Sec. 2810, Contractor shall complete and submit this Information Sheet which shall be incorporated into and be a part of the Contract:

- 1) Workers' Compensation Insurance:
    - A. Policy Number: 1443496-2012
    - B. Name of Insurer (NOT Broker): State Compensation Ins. Fund
    - C. Address of Insurer: PO Box 420807, San Francisco, CA 94142
    - D. Telephone Number of Insurer: 888-782-8338
  - 2) For vehicles owned by Contractor and used in performing work under this Contract:
    - A. VIN (Vehicle Identification Number): 16BHC24K18E189035
    - B. Automobile Liability Insurance Policy Number: 317 9295-D10-75
    - C. Name of Insurer (NOT Broker): State Farm
    - D. Address of Insurer: 900 old River Road Bakersfield, CA 93311
    - E. Telephone Number of Insurer: 888-593-0721
  - 3) Address of Property used to house workers on this Contract, if any: \_\_\_\_\_  
n/a
  - 4) Estimated total number of workers to be employed on this Contract: 6
  - 5) Estimated total wages to be paid those workers: \$87,000.00
  - 6) Dates (or schedule) when those wages will be paid: weekly
- (Describe schedule: For example, weekly or every other week or monthly)
- 7) Estimated total number of independent contractors to be used on this Contract: \_\_\_\_\_  
0
  - 8) Taxpayer's Identification Number: \_\_\_\_\_



LIST OF SUBCONTRACTORS

In accordance with the requirements provided in the "Subletting and Subcontracting Fair Practices Act" Division 2 Part 1, Chapter 4 of the California Public Contract Code, the Bidder shall set forth hereon the name and location of the place of business of each subcontractor who will perform work or labor or render service to the prime contractor in or about the construction of the work or improvement, or a subcontractor licensed by the State of California who, under subcontract to the prime contractor, specially fabricates and installs a portion of the work or improvement according to detailed drawings contained in the plans and specifications, in an amount in excess of one-half of 1 percent of the prime contractor's total bid or, in the case of bids or offers for the construction of streets or highways, including bridges, in excess of one-half of 1 percent of the prime contractor's total bid or ten thousand dollars (\$10,000), whichever is greater. The prime contractor shall set forth thereon the portion of the work (type and dollar value) that will be done by each subcontractor. The prime contractor shall list only one subcontractor for each portion as defined by the prime contractor in his or her bid. Information requested, other than the sub contractor's name and location of business and the portion of work that will be done by each subcontractor may be submitted by the prime contractor within 24 hours after the deadline for submission of bids.

Name	<u>Nieto &amp; Sons</u>	Type of Work	<u>Tank cleaning and disposal</u>
Address	<u>PO Box 760</u>		
City	<u>Yorba Linda, CA 92885</u>	Dollar Value of Subcontract	<u>\$ 11,850.00</u>
Phone No.	<u>714-990-6855</u>		
License No.	<u>673912</u>		

Name	<u>Dave McMahon Const. Inc.</u>	Type of Work	<u>Shoring</u>
Address	<u>8907 Creeksford Dr.</u>		
City	<u>Lakeside, CA 92040</u>	Dollar Value of Subcontract	<u>\$ 82,500.00</u>
Phone No.	<u>619-491-9355</u>		
License No.	<u>816102</u>		

Name	<u>Proxair Services</u>	Type of Work	<u>ELD Testing</u>
Address	<u>3755 N. Business Center Dr.</u>		
City	<u>Tucson, AZ 85705</u>	Dollar Value of Subcontract	<u>\$ 12,000.00</u>
Phone No.	<u>800-394-9929</u>		
License No.	<u>n/a</u>		

Name	<u>A-Line Crane</u>	Type of Work	<u>Crane Operation</u>
Address	<u>18032 C Lemon Dr #212</u>		
City	<u>Yorba Linda, CA 92886</u>	Dollar Value of Subcontract	<u>\$ 1,200.00</u>
Phone No.	<u>714-261-3536</u>		
License No.	<u>n/a</u>		

Name	_____	Type of Work	_____
Address	_____		
City	_____	Dollar Value of Subcontract	<u>\$</u> _____
Phone No.	_____		
License No.	_____		

KNOW ALL MEN BY THESE PRESENTS: That we, ENCON TECHNOLOGIES, INC., a California corporation, as PRINCIPAL, and SureTec Insurance Company, located at 3033 5th Ave., San Diego, CA 92103, a corporation, incorporated under the laws of the State of Texas, admitted as a surety in the State of California, and authorized to transact business in the State of California, as SURETY, are held and firmly bound unto the CITY OF LONG BEACH, a municipal corporation, in the sum of SEVEN HUNDRED FORTY-THREE THOUSAND SEVEN HUNDRED EIGHTY-NINE DOLLARS (\$743,789), lawful money of the United States of America, for the payment of which sum, well and truly to be made, we bind ourselves, our respective heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, said Principal has been awarded and is about to enter the annexed contract (incorporated herein by this reference) with said City of Long Beach for the Alamitos Bay Marina Fuel Dock is required by law and by said City to give this bond in connection with the execution of said contract;

NOW, THEREFORE, if said Principal, as Contractor of said contract, or any subcontractor of said Principal, fails to pay for any materials, provisions, equipment, or other supplies, used in upon, for or about the performance of the work contracted to be done, or for any work or labor done thereon, of any kind, or for amounts due under the Unemployment Insurance Act, during the original term of said contract and any extensions thereof, and during the life of any guaranty required under the contract, or shall fail to pay for any materials, provisions, equipment, or other supplies, used in, upon, for or about the performance of the work to be done under any authorized modifications of said contract that may hereafter be made, or for any work or labor done of any kind, or for amounts due under the Unemployment Insurance Act, under said modification, said Surety will pay the same in an amount not exceeding the sum of money hereinabove specified and, in case suit is brought upon this bond, a reasonable attorney's fee, to be fixed by the court; otherwise this obligation shall be void;

PROVIDED, that any modifications, alterations or changes which may be made in said contract, or in any of the work or labor required to be done thereunder, or in any of the materials, provisions, equipment, or other supplies required to be furnished pursuant to said contract, or the giving by the City of any extension of time for the performance of said contract, or the giving of any other forbearance upon the part of either the City or the Principal to the other, shall not in any way release the Principal or Surety, or either of them, or their respective heirs, administrators, executors, successors or assigns, from any liability arising hereunder, and notice to the Surety of any such modifications, alterations, changes, extensions or forbearances is hereby waived. No premature payment by said City to said Principal shall release or exonerate the Surety, unless the officer of the City ordering the payment shall have actual notice at the time the order is made that the payment is in fact premature, and then only to the extent that such payment shall result in actual loss to the Surety, but in no event in an amount more than the amount of such premature payment.

This Bond shall inure to the benefit of any and all persons, companies and corporations entitled by law to file claims so as to give a right of action to them or their assigns in any suit brought upon this bond.

IN WITNESS WHEREOF, the above-named Principal and Surety have executed, or caused to be executed, this instrument with all of the formalities required by law on this 23rd day of April, 2012.

Encon Technologies, Inc.  
Contractor

SureTec Insurance Company  
SURETY, admitted in California

By: [Signature]

By: [Signature]

Name: B. Joseph Scatoloni

Name: Andrew Sysyn

Title: President

Title: Attorney-in-Fact

By: [Signature]

Telephone: 800-598-7535

Name: John Scatoloni

Title: Secretary

Approved as to form this 25<sup>th</sup> day of April, 2012.

Approved as to sufficiency this 25 day of April, 2012.

ROBERT E. SHANNON, City Attorney

By: [Signature]  
Deputy City Attorney

By: [Signature]  
City Manager/City Engineer

- NOTE: 1. Execution of the bond must be acknowledged by both PRINCIPAL and SURETY before a Notary Public and a Notary's certificate of acknowledgment must be attached.
- 2. A corporation must execute the bond by 2 authorized officers or, if executed by a person not listed in Sec. 313, Calif. Corp. Code, then a certified copy of a resolution of its Board of Directors authorizing execution must be attached.

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Los Angeles }

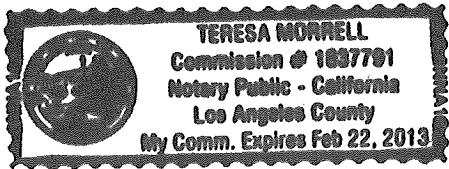
On April 23, 2012 before me, Teresa Morrell, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared G. Joseph Scatoloni and John Scatoloni  
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: Teresa Morrell  
Signature of Notary Public

Place Notary Seal and/or Stamp 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.*

**Description of Attached Document**

Title or Type of Document: Labor and Material Bond

Document Date: April 23, 2012 Number of Pages: 1

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: G. Joseph Scatoloni Signer's Name: John Scatoloni

Corporate Officer — Title(s): President  Corporate Officer — Title(s): Secretary

- Individual
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer Is Representing: ENCON Technologies, Inc.

- Individual
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer Is Representing: ENCON Technologies, Inc.

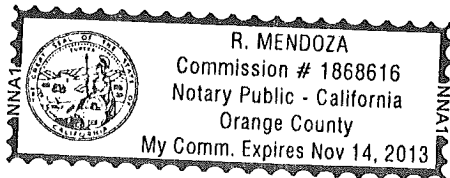
**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California }  
 County of Orange }

On 4/23/2012 before me, R. Mendoza, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Andrew Sysyn  
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: [Handwritten Signature]  
Signature of Notary Public

Place Notary Seal and/or Stamp 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.*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_ Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_  Corporate Officer — Title(s): \_\_\_\_\_

Individual  Partner —  Limited  General  Individual  Partner —  Limited  General

Attorney in Fact  Attorney in Fact

Trustee  Trustee

Guardian or Conservator  Guardian or Conservator

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

\_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_ Signer Is Representing: \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_

# 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

Raylene Mendoza, Andrew Sysyn

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:

Five Million and 00/100 Dollars (\$5,000,000.00)

and to bind the Company thereby as fully and to the same extent as if such bond were signed by the President, 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 shall continue in force until: 10/31/2013 and is made under and by authority of the following resolutions of the Board of Directors of the SureTec Insurance Company:

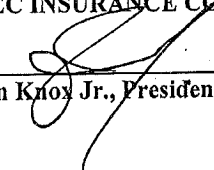
*Be it Resolved*, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the 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 President, and its corporate seal to be hereto affixed this 3rd day of September, A.D. 2010.

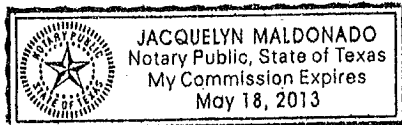
SURETEC INSURANCE COMPANY

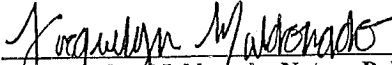
By:   
John Knox Jr., President

State of Texas                      ss:  
County of Harris



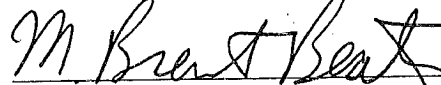
On this 3rd day of September, A.D. 2010 before me personally came John Knox Jr., to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is President of SURETEC INSURANCE COMPANY, the company described in and which executed the above instrument; that he 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.



  
Jacquelyn Maldonado, Notary Public  
My commission expires May 18, 2013

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 23rd day of April, 2012, A.D.

  
M. Brent Beaty, Assistant Secretary

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

KNOW ALL MEN BY THESE PRESENTS: That we, ENCON TECHNOLOGIES, INC., a California corporation, as PRINCIPAL, and SureTec Insurance Co., located at 3033 5th Ave., San Diego, CA 92103, a corporation, incorporated under the laws of the State of Texas, admitted as a surety in the State of California, and authorized to transact business in the State of California, as SURETY, are held and firmly bound unto the CITY OF LONG BEACH, CALIFORNIA, a municipal corporation, in the sum of SEVEN HUNDRED FORTY-THREE THOUSAND SEVEN HUNDRED EIGHTY-NINE DOLLARS (\$743,789), lawful money of the United States of America, for the payment of which sum, well and truly to be made, we bind ourselves, our respective heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, said Principal has been awarded and is about to enter the annexed contract (incorporated herein by this reference) with said City of Long Beach for the Alamitos Bay Marina Fuel Dock and is required by said City to give this bond in connection with the execution of said contract;

NOW, THEREFORE, if said Principal shall well and truly keep and faithfully perform all of the covenants, conditions, agreements and obligations of said contract on said Principal's part to be kept, done and performed, at the times and in the manner specified therein, then this obligation shall be null and void, otherwise it shall be and remain in full force and effect;

PROVIDED, that any modifications, alterations or changes which may be made in said contract, or in the work to be done, or in the services to be rendered, or in any materials or articles to be furnished pursuant to said contract, or the giving by the City of any extension of time for the performance of said contract, or the giving of any other forbearance upon the part of either the City or the Principal to the other, shall not in any way release the Principal or the Surety, or either of them, or their respective heirs, administrators, executors, successors or assigns, from any liability arising hereunder, and notice to the Surety of any such modifications, alterations, changes, extensions or forbearances is hereby waived. No premature payment by said City to said Principal shall release or exonerate the Surety, unless the officer of said City ordering the payment shall have actual notice at the time the order is made that such payment is in fact premature, and then only to the extent that such payment shall result in actual loss to the Surety, but in no event in an amount more than the amount of such premature payment.

IN WITNESS WHEREOF, the above-named Principal and Surety have executed, or caused to be executed, this instrument with all of the formalities required by law on this 23rd day of April, 2012.

Encon Technologies, Inc.  
Contractor

By: [Signature]

Name: G. Joseph Scatoloni

Title: President

By: [Signature]

Name: John Scatoloni

Title: Secretary

Approved as to form this 25<sup>th</sup> day of April, 2012.

ROBERT E. SHANNON, City Attorney  
By: [Signature]  
Deputy City Attorney

SureTec Insurance Company  
SURETY, admitted in California

By: [Signature]

Name: Andrew Sysyn

Title: Attorney-in-Fact

Telephone: 800-598-7535

Approved as to sufficiency this 25 day of April, 2012.

By: [Signature]  
City Manager/City Engineer  
Acting

- NOTE: 1. Execution of the bond must be acknowledged by both PRINCIPAL and SURETY before a Notary Public and a Notary's certificate of acknowledgment must be attached.  
2. A corporation must execute the bond by 2 authorized officers or, if executed by a person not listed in Sec. 313, Calif. Corp. Code, then a certified copy of a resolution of its Board of Directors authorizing execution must be attached.

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Los Angeles }

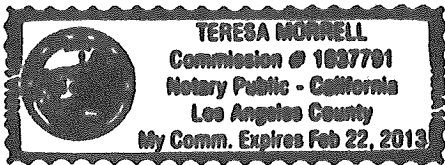
On April 23, 2012 before me, Teresa Morrell, Notary Public,  
Date Here Insert Name and Title of the Officer

personally appeared G. Joseph Scatoloni and John Scatoloni  
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 and/or Stamp Above

Signature: Teresa Morrell  
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: Performance Bond

Document Date: April 23, 2012 Number of Pages: 1

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: G. Joseph Scatoloni Signer's Name: John Scatoloni

Corporate Officer — Title(s): President  Corporate Officer — Title(s): Secretary

- Individual
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

**RIGHT THUMBPRINT OF SIGNER**  
 Top of thumb here

- Individual
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

**RIGHT THUMBPRINT OF SIGNER**  
 Top of thumb here

Signer Is Representing: EXCON Technologies, Inc

Signer Is Representing: EXCON Technologies Inc.

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

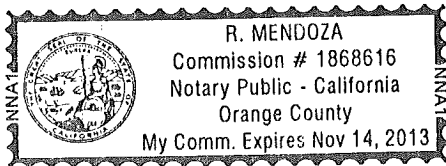
State of California

County of Orange

On 4/23/2012 before me, R. Mendoza, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Andrew Sysyn  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ ~~(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: [Handwritten Signature]  
Signature of Notary Public

Place Notary Seal and/or Stamp 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.*

### Description of Attached Document

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

### Capacity(ies) Claimed by Signer(s)

Signer's Name: \_\_\_\_\_ Signer's Name: \_\_\_\_\_

- |  |   |   |   |
|--|---|---|---|
| <input type="checkbox"/> Corporate Officer — Title(s): _____<br><input type="checkbox"/> Individual<br><input type="checkbox"/> Partner — <input type="checkbox"/> Limited <input type="checkbox"/> General<br><input checked="" type="checkbox"/> Attorney in Fact<br><input type="checkbox"/> Trustee<br><input type="checkbox"/> Guardian or Conservator<br><input type="checkbox"/> Other: _____ | <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">RIGHT THUMBPRINT OF SIGNER</div> Top of thumb here<br><div style="border: 1px solid black; height: 100px; width: 100%; margin-top: 5px;"></div> | <input type="checkbox"/> Corporate Officer — Title(s): _____<br><input type="checkbox"/> Individual<br><input type="checkbox"/> Partner — <input type="checkbox"/> Limited <input type="checkbox"/> General<br><input type="checkbox"/> Attorney in Fact<br><input type="checkbox"/> Trustee<br><input type="checkbox"/> Guardian or Conservator<br><input type="checkbox"/> Other: _____ | <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">RIGHT THUMBPRINT OF SIGNER</div> Top of thumb here<br><div style="border: 1px solid black; height: 100px; width: 100%; margin-top: 5px;"></div> |
|--|---|---|---|

Signer Is Representing: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_



# 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

Raylene Mendoza, Andrew Sysyn

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:

Five Million and 00/100 Dollars (\$5,000,000.00)

and to bind the Company thereby as fully and to the same extent as if such bond were signed by the President, 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 shall continue in force until 10/31/2013 and is made under and by authority of the following resolutions of the Board of Directors of the SureTec Insurance Company:

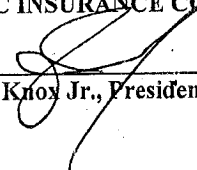
*Be it Resolved*, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the 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 President, and its corporate seal to be hereto affixed this 3rd day of September, A.D. 2010.

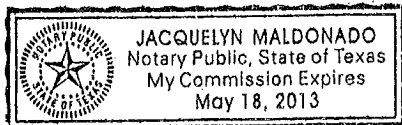
SURETEC INSURANCE COMPANY

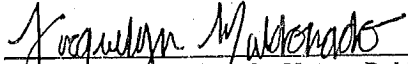
By:   
John Knox Jr., President

State of Texas                      ss:  
County of Harris



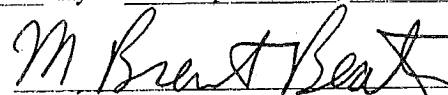
On this 3rd day of September, A.D. 2010 before me personally came John Knox Jr., to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is President of SURETEC INSURANCE COMPANY, the company described in and which executed the above instrument; that he 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.



  
Jacquelyn Maldonado, Notary Public  
My commission expires May 18, 2013

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 23rd day of April, 2012, A.D.

  
M. Brent Beaty, Assistant Secretary

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

Please type or print clearly. Read instructions on reverse before completing this form.

**SECTION I - BUSINESS INFORMATION**

NAME OF BUSINESS OR GOVERNMENTAL ENTITY	SALES/USE TAX PERMIT NUMBER
BUSINESS ADDRESS (street)	CONSUMER USE TAX ACCOUNT NUMBER
CITY, STATE, & ZIP CODE	If applicant is applying for either a sales/use tax permit or a consumer use tax account in addition to a use tax direct payment permit check here <input type="checkbox"/>
MAILING ADDRESS (street address or po box if different from business address)	
CITY, STATE, & ZIP CODE	NAME UNDER WHICH BUSINESS IS TO BE TRANSACTED IF DIFFERENT THAN ABOVE

**SECTION II - MULTIPLE BUSINESS LOCATIONS**

LIST BELOW THE BUSINESS AND MAILING ADDRESSES OF ALL LOCATIONS WHERE PROPERTY PURCHASED UNDER A USE TAX DIRECT PAYMENT CERTIFICATE WILL BE USED. IF ADDITIONAL SPACE IS NEEDED, ATTACH A SEPARATE SHEET

1. BUSINESS ADDRESS	4. BUSINESS ADDRESS
MAILING ADDRESS	MAILING ADDRESS
2. BUSINESS ADDRESS	5. BUSINESS ADDRESS
MAILING ADDRESS	MAILING ADDRESS
3. BUSINESS ADDRESS	6. BUSINESS ADDRESS
MAILING ADDRESS	MAILING ADDRESS

**SECTION III - CERTIFICATION STATEMENT**

I hereby certify that I qualify for a Use Tax Direct Payment Permit for the following reason: (Please check one of the following)

I have purchased or leased for my own use tangible personal property subject to use tax at a cost of five hundred thousand dollars (\$500,000) or more in the aggregate, during the calendar year immediately preceding this application for the permit. I have attached a "Statement of Cash Flows" or other comparable financial statements acceptable to the Board for the calendar year immediately preceding the date of application and a separate statement attesting that the qualifying purchases were purchases that were subject to use tax.

I am a county, city, city and county, or redevelopment agency.

I also agree to self-assess and pay directly to the Board of Equalization any use tax liability incurred pursuant to my use of a Use Tax Direct Payment Permit.

The above statements are hereby certified to be correct to the knowledge and belief of the undersigned, who is duly authorized to sign this application.

SIGNATURE	TITLE
NAME (typed or printed)	DATE

(See reverse side for general information and filing instructions)

**USE TAX DIRECT PAYMENT PERMIT**  
(General Information and Filing Instructions)

Revenue and Taxation Code section 7051.3 authorizes the State Board of Equalization to issue a *Use Tax Direct Payment Permit* to qualified applicants. This permit allows purchasers and lessees of tangible personal property (other than lessees of motor vehicles the lease of which is subject to the terms of section 7205.1 of the Sales and Use Tax Law) to self-assess and pay use taxes directly to the Board instead of to the vendor or lessor from whom the property is purchased or leased.

Permit holders will be provided with a *Use Tax Direct Payment Exemption Certificate* which they can issue to retailers and lessors when they purchase tangible personal property subject to use tax or make qualified leases of tangible personal property. Vendors who timely take the certificate in good faith from a permit holder are relieved of the duty to collect use taxes on the sales for which the certificate was issued. Permit holders who acquire property under a certificate must self-assess and report the use taxes directly to the Board on their tax returns, and allocate the local taxes to the county, city, city and county, or redevelopment agency in which the property is first used. Permit holders who fail to properly pay any use taxes that are due on property for which a certificate was given are subject to interest and penalties assessments in addition to their tax liability.

To qualify for a *Use Tax Direct Payment Permit*, an applicant must meet the following conditions:

- (1) The applicant must agree to self-assess and pay directly to the Board any use tax which is due on property for which a use tax direct payment exemption certificate was given; and
- (2) The applicant must certify to the Board either of the following:
  - (A) The applicant has purchased or leased for its own use tangible personal property subject to use tax which cost five hundred thousand dollars (\$500,000) or more in the aggregate, during the calendar year immediately preceding the application for the permit; or
  - (B) The applicant is a county, city, city and county, or redevelopment agency.

Persons wishing to obtain a use tax direct payment permit must be pre-qualified and either hold a California seller's permit or a consumer use tax account.

Persons other than governmental entities who currently hold either a California seller's permit or a consumer use tax account must complete the application for a *Use Tax Direct Payment Permit*, sign the certification statement attesting that they qualify for a permit under conditions of Part (2)(A) above, and submit a "Statement of Cash Flows" or other comparable financial statements acceptable to the board for the calendar year immediately preceding the date of application which discloses total purchases of property and equipment for own use and a separate statement under company letterhead certifying that five hundred thousand dollars (\$500,000) or more of such purchases were subject to use tax.

Persons other than governmental entities who are not required to hold a seller's permit and who do not currently hold a consumer use tax account must obtain a consumer use tax account and then complete the application for a *Use Tax Direct Payment Permit*, sign the certification statement attesting that they qualify for a permit under the conditions of Part (2)(A) above and submit a "Statement of Cash Flows" or other comparable financial statements acceptable to the board for the calendar year immediately preceding the date of application which discloses total purchases of property and equipment for own use and a separate statement under company letterhead certifying that five hundred thousand dollars (\$500,000) or more of such purchases were subject to use tax.

Governmental entities who currently hold either a California seller's permit or a consumer use tax account must complete the application for a *Use Tax Direct Payment Permit*, sign the certification statement attesting that they qualify for a permit under the conditions of Part (2)(B) above, and submit an additional statement to that effect under official letterhead and signed by an authorized governmental representative.

Governmental entities who do not hold a California seller's permit or a consumer use tax account must obtain a consumer use tax account and then complete the application for a *Use Tax Direct Payment Permit*, sign the certification statement attesting that they qualify for a permit under the conditions of Part (2)(B) above, and submit an additional statement to that effect under official letterhead and signed by an authorized governmental representative.

The completed *Application for Use Tax Direct Payment Permit*, certification statement, and qualifying documentation should be returned to the address shown below. Upon determination that the applicant qualifies, a *Use Tax Direct Payment Permit* and a *Use Tax Direct Payment Exemption Certificate* will be mailed to the applicant.

If you would like additional information regarding the *Use Tax Direct Payment Permit* or need assistance in completing this application, you can call 916-445-5167, or write to the Board of Equalization, Compliance Policy Unit, P.O. Box 942879, Sacramento, CA 94279-0040.