

CONTRACT

**32516**

THIS CONTRACT is made and entered, in duplicate, as of April 4, 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 April 3, 2012, by and between S E PIPE LINE CONSTRUCTION COMPANY, a California corporation ("Contractor"), whose address is 11832 S. Bloomfield Avenue, Santa Fe Springs, California 90670, and the CITY OF LONG BEACH, a municipal corporation ("City").

WHEREAS, pursuant to a "Notice Inviting Bids for the Construction of 2012 Gas Main and Service Lines Replacement for Long Beach Gas and Oil in the City of Long Beach, California," dated March 5, 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. G-290;

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. G-290 for the Construction of 2012 Gas Main and Service Lines Replacement for Long Beach Gas and Oil 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 the Construction of 2012 Gas Main and

1 Service Lines Replacement for Long Beach Gas and Oil in the City of Long Beach,  
2 California," attached hereto as Exhibit "A".

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

6 3. CONTRACT DOCUMENTS.

7 A. The Contract Documents include: The Notice Inviting Bids,  
8 Project Specifications No. G-290 (which may include by reference the Standard  
9 Specifications for Public Works Construction, latest edition, and any supplements  
10 thereto, collectively the "Standard Specifications"); the City of Long Beach  
11 Standard Plans; the California Code of Regulations; the various Uniform Codes  
12 applicable to trades; the prevailing wage rates; Instructions to Bidders; the Bid; the  
13 bid security; the City of Long Beach Disadvantaged, Minority and Women-Owned  
14 Business Enterprise Program; this Contract and all documents attached hereto or  
15 referenced herein including but not limited to insurance; Bond for Faithful  
16 Performance; Payment Bond; Notice to Proceed; Notice of Completion; any  
17 addenda or change orders issued in accordance with the Standard Specifications;  
18 any permits required and issued for the work; approved final design drawings and  
19 documents; and the Information Sheet. These Contract Documents are  
20 incorporated herein by the above reference and form a part of this Contract.

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

1 Section 3.A. hereof, the "Greenbook"); 9) other reference specifications; 10)  
2 other reference plans; 11) the bid; and 12) the Notice Inviting Bids.

3 4. TIME FOR CONTRACT. Contractor shall commence work on a date  
4 to be specified in a written "Notice to Proceed" from City and shall complete all work prior  
5 to September 28, 2012, subject to strikes, lockouts and events beyond the control of  
6 Contractor. Time is of the essence hereunder. City will suffer damage if the work is not  
7 completed within the time stated, but those damages would be difficult or impractical to  
8 determine. So, Contractor shall pay to City, as liquidated damages, the amount stated in  
9 the Contract Documents.

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

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

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

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

1 persons, or damages to property, including property of City, which arises from or is  
2 connected with the performance of the work.

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

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

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

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

20 12. COORDINATION WITH GOVERNMENTAL REGULATIONS.

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

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

8                   13. NOTICES.

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

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

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

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

1 construction will be considered as independent contractors or agents of Contractor and  
2 will be held directly responsible to Contractor.

3 16. CERTIFIED PAYROLL RECORDS.

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

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

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

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

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

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

9 19. TAXES AND TAX REPORTING.

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

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

1 in the previous calendar year.

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

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

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

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

28 21. AUDIT. If payment of any part of the consideration for this Contract



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

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

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

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

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

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

1 California law pertaining to conflicts of laws).

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

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

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

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

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

26           "During the performance of a Contract with the City of Long Beach,  
27 the Contractor will provide equal benefits to employees with spouses and its  
28 employees with domestic partners. Additional information about the City of

1 Long Beach's Equal Benefits Ordinance may be obtained from the City of  
2 Long Beach Business Services Division at 562-570-6200."

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

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

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

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

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

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

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

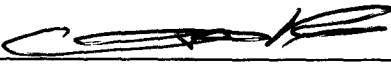
S E PIPE LINE CONSTRUCTION COMPANY, a California corporation

March 30, 2012

By   
President

CHARLES RIKEL  
Type or Print Name

March 30, 2012

By   
Secretary

Christopher D. Eikel  
Type or Print Name

"Contractor"

CITY OF LONG BEACH, a municipal corporation

4.16, 2012

By  **Assistant City Manager**  
City Manager

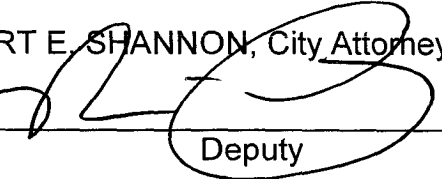
"City"

EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER.

This Contract is approved as to form on April 11

2012.

ROBERT E. SHANNON, City Attorney

By   
Deputy

# EXHIBIT “A”

Contractor’s Bid

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**BID**  
**FOR THE CONSTRUCTION OF 2012**  
**GAS MAIN AND SERVICE LINES REPLACEMENT**  
**FOR LONG BEACH GAS AND OIL**  
**LONG BEACH, CALIFORNIA**

In accordance with the Notice Inviting Bids for the above titled work for the City of Long Beach, California, a copy of which is attached hereto and is made a part hereof, to be opened on March 5, 2012 at 10:00 a.m., we propose to furnish all necessary labor, tools, appliances, equipment and engineering services for and perform all work mentioned in said Notice Inviting Bids, in full compliance with the Plans and Specification No. G-290 at the following price:

Work Order	Description	Unit	Bid Amount
110035	INSTALL MAIN AND SERVICES IN AREA AROUND MYRTLE AVE. & E. ARTESIA BLVD.	LS	1,042,005.67
110036	INSTALL PE PIPE IN VARIOUS STREETS BOUND BY CONANT, WOODRUFF, MARBER AND PARKCREST ST	LS	1,047,524.87
110037	INSTALL 2" PE MAIN & SERVICES AT HESPERIAN STREET, ARLINGTON STREET AND CAMERON	LS	517,602.22
110038	INSTALL PE PIPE IN VARIOUS STREETS BOUND BY GALE AVE., WEBSTER AVE., BURNETT ST. AND 32ND ST.	LS	1,712,021.80
110039	INSTALL MAIN & SERVICES IN JUDSON AVE, HAYES AVE, COWLES ST, GAYLORD ST, 16TH & 17TH ST, SEABRIGHT AVE	LS	350,693.65
<b>TOTAL</b>			<b>4,669,848.21</b>

**NAME OF BIDDER** S E Pipe Line Construction Co.

**BUSINESS ADDRESS** 11832 S. Bloomfield Ave.

**CITY AND ZIP CODE** Santa Fe Springs, CA 90670

**TELEPHONE** 562-868-9771; 562-868-6152 Fax

**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 workers' compensation or to undertake self-insurance in accordance with said provisions before commencing the performance of the Work of this contract.

Contractor's Name:

S E Pipe Line Construction Co.

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

  
\_\_\_\_\_

Title: Secretary/Treasurer

Date: 03/22/12

**EXHIBIT "B"**

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: VTC2JUB-564B67-6-11
  - B. Name of Insurer (NOT Broker): Travelers Property Casualty Co. of America
  - C. Address of Insurer: 2401 W. Peoria, Suite 200 Phoenix, AZ 85029
  - D. Telephone Number of Insurer: 800-536-1086
  
- 2) For vehicles owned by Contractor and used in performing work under this Contract:
  - A. VIN (Vehicle Identification Number): TBD
  - B. Automobile Liability Insurance Policy Number: VTC2J-CAP-564B652-TIL-11
  - C. Name of Insurer (NOT Broker): Travelers Property Casualty Co. of America
  - D. Address of Insurer: 2401 W. Peoria, Suite 200 Phoenix, AZ 85029
  - E. Telephone Number of Insurer: 800-536-1086
  
- 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: 30
  
- 5) Estimated total wages to be paid those workers: \$1,252,772.00
  
- 6) Dates (or schedule) when those wages will be paid: \_\_\_\_\_  
Paid weekly, every Thursday at 5:00 PM  
(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: [REDACTED]

EXHIBIT "C"



# EXHIBIT “D”

List of Subcontractors:

## 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 California Locating Service (WBE) Type of Work Sewer locating, boring  
Address 3030 E. Coronado St.  
City Anaheim, CA 92806 Dollar Value of Subcontractor \$ 450,000  
Phone No. 714-632-1596  
License No. \_\_\_\_\_

Name Bill Petty's Backhoe (WBE) Type of Work Slurry, equipment rental  
Address 13203 Barlin Ave.  
City Downey, CA 90242 Dollar Value of Subcontractor \$ 285,000  
Phone No. 562-630-3162  
License No. \_\_\_\_\_

Name J. Luna Trucking (WBE) Type of Work Operated trucking  
Address 1215 West 18th St.  
City Upland, CA 91784 Dollar Value of Subcontractor \$ 102,000  
Phone No. 909-920-0602  
License No. \_\_\_\_\_

Name Mora's Backhoe Services (MBE) Type of Work Equipment rental - operated  
Address 9245 Nan St.  
City Pico Rivera, CA 90660 Dollar Value of Subcontractor \$ 105,000  
Phone No. 562-949-6777  
License No. \_\_\_\_\_

Name Whitecore Concrete Cutting (WBE) Type of Work Concrete cutting, core drilling, saws  
Address 2755 Horace St.  
City Riverside, CA 92506 Dollar Value of Subcontractor \$ 99,000  
Phone No. 951-830-0027  
License No. \_\_\_\_\_

## 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 HPD, Inc. Type of Work Asphalt, concrete paving  
Address 3166 Horseless Carriage  
City Norco, CA 92860 Dollar Value of Subcontractor \$ 170,000  
Phone No. 951-520-4245  
License No. \_\_\_\_\_

Name Metalcald Type of Work Testing & asbestos abatement  
Address 1818 E. Rossllynn Ave.  
City Fullerton, CA 92831 Dollar Value of Subcontractor \$ 35,000  
Phone No. 714-888-2860  
License No. \_\_\_\_\_

Name B C Traffic Type of Work Traffic control, stripping  
Address 638 W. Southern Ave.  
City Orange, CA 92865 Dollar Value of Subcontractor \$ 32,000  
Phone No. 714-974-1190  
License No. \_\_\_\_\_

Name Koppl Pipeline (WBE) Type of Work Pressure control  
Address 1228 Date St.  
City Montebello, CA 90640 Dollar Value of Subcontractor \$ 68,000  
Phone No. 323-888-2211  
License No. \_\_\_\_\_

Name All American Asphalt Type of Work Slurry seal  
Address 400 E. Sixth Street  
City Corona, CA 92878 Dollar Value of Subcontractor \$ 68,000  
Phone No. 951-736-7600  
License No. \_\_\_\_\_

BOND FOR FAITHFUL PERFORMANCE

KNOW ALL MEN BY THESE PRESENTS: That we, S E PIPE LINE CONSTRUCTION COMPANY, a California corporation, as PRINCIPAL, and WESTERN SURETY COMPANY, located at 6300 CANOGA AVE., STE 1150W, WOODLAND HILLS, CA a corporation, incorporated under the laws of the State of SOUTH DAKOTA, 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 FOUR MILLION SIX HUNDRED SIXTY-NINE THOUSAND EIGHT HUNDRED FORTY-EIGHT DOLLARS AND 21 CENTS (\$4,669,848.21), 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 Construction of 2012 Gas Main and Service Lines Replacement for Long Beach Gas and Oil 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 5th day of APRIL, 2012.

S E PIPE LINE CONSTRUCTION COMPANY  
Contractor

By: [Signature]  
Name: JAMES DOULAMES  
Title: PRINCIPAL

By: [Signature]  
Name: CHRISTOPHER D. RIKEL  
Title: SECRETARY/TREASURER

Approved as to form this 11 day of April, 2012.

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

WESTERN SURETY COMPANY  
SURETY, admitted in California

By: [Signature]  
Name: STEVEN C. MOSIER  
Title: ATTORNEY-IN-FACT  
Telephone: 877-241-6628

Approved as to sufficiency this 17th day of April, 2012.

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 Orange

On April 5, 2012 before me, Charise Eberhard, Notary Public

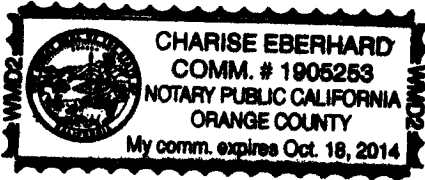
Personally appeared Steven C. Mosier

Who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she~~/~~they~~ executed the same in his/~~her~~/~~their~~ authorized capacity(ies), and that by his/~~her~~/~~their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of The State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature   
Signature of Notary Public



**OPTIONAL**

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

- Individual
- Corporated Officer Title(s) \_\_\_\_\_
- Partner  Limited  General
- Attorney-in-Fact
- Trustee
- Guardian of Conservator
- Other \_\_\_\_\_

Signer is Representing: **WESTERN SURETY COMPANY**

# Western Surety Company

## POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

**John M Garrett, Steven C. Mosier, Denise Bennett, Kari Goodman, Paul A Bland, Charise Eberhard, Cynthia S Wozney, Individually**

of Irvine, CA, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

### - In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Senior Vice President and its corporate seal to be hereto affixed on this 2nd day of September, 2011.



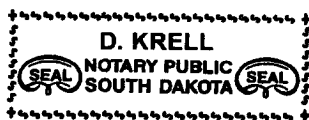
WESTERN SURETY COMPANY

Paul T. Bruflat  
Paul T. Bruflat, Senior Vice President

State of South Dakota }  
County of Minnehaha } ss

On this 2nd day of September, 2011, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Senior Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires  
November 30, 2012



D. Krell  
D. Krell, Notary Public

### CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this 5TH day of APRIL, 2012.



WESTERN SURETY COMPANY

L. Nelson  
L. Nelson, Assistant Secretary

**Authorizing By-Law**

**ADOPTED BY THE SHAREHOLDERS OF WESTERN SURETY COMPANY**

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the shareholders of the Company.

Section 7. All bonds, policies, undertakings, Powers of Attorney, or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, and Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile.

LABOR AND MATERIAL BOND

KNOW ALL MEN BY THESE PRESENTS: That we, S E PIPE LINE CONSTRUCTION COMPANY, a California corporation, as PRINCIPAL, and WESTERN SURETY COMPANY, located at 6300 CANOGA AVE., STE 1150W, WOODLAND HILLS, CA, a corporation, incorporated under the laws of the State of SOUTH DAKOTA, 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 FOUR MILLION SIX HUNDRED SIXTY-NINE THOUSAND EIGHT HUNDRED FORTY-EIGHT DOLLARS AND 21 CENTS (\$4,669,848.21), 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 Construction of 2012 Gas Main and Service Lines Replacement for Long Beach Gas and Oil 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 5TH day of APRIL, 2012.

S E PIPE LINE CONSTRUCTION COMPANY

WESTERN SURETY COMPANY

Contractor

SURETY, admitted in California

By: [Signature]

By: [Signature]

Name: JAMES DOULAMES

Name: STEVEN C. MOSIER

Title: PRINCIPAL

Title: ATTORNEY-IN-FACT

By: [Signature]

Telephone: 877-241-6628

Name: CHRISTOPHER D. RIKEL

Title: SECRETARY/TREASURER

Approved as to form this 11 day of April, 2012.

Approved as to sufficiency this 16 day of April, 2012.

ROBERT E. SHANNON, City Attorney

[Signature] Assistant City Manager

By: [Signature]

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.

EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER.



**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

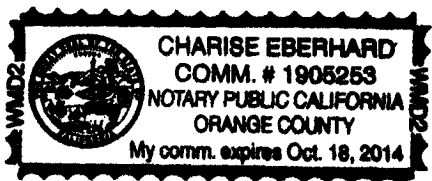
State of California

County of Orange

On April 5, 2012 before me, Charise Eberhard, Notary Public

Personally appeared Steven C. Mosier

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 *ceberhard*  
Signature of Notary Public

**OPTIONAL**

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

- Individual
- Corporated Officer            Title(s)
- Partner             Limited  General
- Attorney-in-Fact
- Trustee
- Guardian of Conservator
- Other

Signer is Representing: **WESTERN SURETY COMPANY**

# Western Surety Company

## POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

**John M Garrett, Steven C. Mosier, Denise Bennett, Kari Goodman, Paul A Bland, Charise Eberhard, Cynthia S Wozney, Individually**

of Irvine, CA, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

### - In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Senior Vice President and its corporate seal to be hereto affixed on this 2nd day of September, 2011.



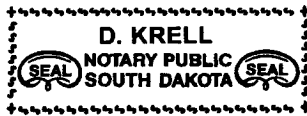
WESTERN SURETY COMPANY

Paul T. Bruflat, Senior Vice President

State of South Dakota }  
County of Minnehaha } ss

On this 2nd day of September, 2011, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Senior Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires  
November 30, 2012



D. Krell, Notary Public

### CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this 5TH day of APRIL, 2012.



WESTERN SURETY COMPANY

L. Nelson, Assistant Secretary

**Authorizing By-Law**

**ADOPTED BY THE SHAREHOLDERS OF WESTERN SURETY COMPANY**

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the shareholders of the Company.

Section 7. All bonds, policies, undertakings, Powers of Attorney, or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, and Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile.

BOE-400-DP (FRONT) REV 2. (8-05)  
**APPLICATION FOR  
 USE TAX DIRECT PAYMENT PERMIT**

STATE OF CALIFORNIA  
 BOARD OF EQUALIZATION

*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.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

APR 04 2012

4/2/2012

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

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

<b>PRODUCER</b> Garrett/Mosier/Griffith/Sistrunk Ins. Services 12 Truman Irvine, CA 92620  www.garrett-mosier.com      0B84519	<b>CONTACT NAME:</b>	
	PHONE (A/C, No, Ext): (949)559-6700	FAX (A/C, No): (949)559-6703
<b>E-MAIL ADDRESS:</b>		
<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
<b>INSURER A:</b> Travelers Property Casualty Co of America		
<b>INSURER B:</b> RSUI Indemnity Company		
<b>INSURER C:</b> Indian Harbor Insurance Company		
<b>INSURER D:</b>		
<b>INSURER E:</b>		
<b>INSURER F:</b>		

**COVERAGES**      **CERTIFICATE NUMBER:** 12763077      **REVISION NUMBER:**

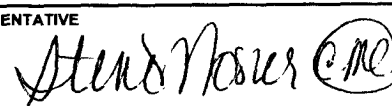
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY REQUIRE, THE INSURANCE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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			VTC2J-CO-5642B640-TIL-11	5/30/2011	5/30/2012	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS			VTC2J-CA-5642B652-TIL-11	5/30/2011	5/30/2012	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
B	<b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$			NHA228203	5/30/2011	5/30/2012	EACH OCCURRENCE \$ 9,000,000 AGGREGATE \$ 9,000,000 \$ \$ \$
A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	VTC2JUB-5642B67-6-11	5/30/2011	5/30/2012	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 2,000,000 E.L. DISEASE - EA EMPLOYEE \$ 2,000,000 E.L. DISEASE - POLICY LIMIT \$ 2,000,000
C	Contractors' Pollution Liability			PEC000307811	5/30/2011	5/30/2012	Each Pollution Condition: \$1,000,000 Aggregate Limit of Liability: \$2,000,000 Self Insured Retention: \$25,000

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

RE: Plans & Specification No. G-290

This certificate may be relied upon only if the certificate addendum referred to herein is attached hereto.  
 This certificate of insurance amends and supersedes any previously issued certificate.

<b>CERTIFICATE HOLDER</b> Plans & Specification No. G-290 City of Long Beach Risk Management Bureau 333 West Ocean Blvd 10th Floor Long Beach CA 90802	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE  Steve Mosier
---	--

4/4/12

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ACORD 25 (2010/05)

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**WORKERS COMPENSATION  
AND  
EMPLOYERS LIABILITY POLICY**

**ENDORSEMENT WC 99 03 76 ( A) -**

**POLICY NUMBER: VTC2JUB-5642B67-6-11**

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS  
ENDORSEMENT - CALIFORNIA  
(BLANKET WAIVER)**

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.


The additional premium for this endorsement shall be **5 %** of the California workers' compensation premium.

**Schedule**

**Person or Organization**

**Job Description**

Any person or organization for which the named insured has agreed by written contract executed prior to loss to furnish this waiver.

4-11 12  
By 



4/4/12

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 Policy No. Endorsement No.  
Insured S E Pipe Line Construction Company Premium

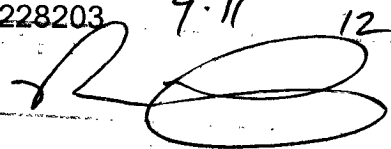
Insurance Company Countersigned by \_\_\_\_\_

DATE OF ISSUE: - - ST ASSIGN:



**EXCESS LIABILITY ENDORSEMENT  
CITY OF LONG BEACH  
333 WEST OCEAN BLVD., LONG BEACH, CA 90802**

**A. POLICY INFORMATION**

1. Insurance Company RSUI Indemnity Co.; Policy Number NHA228203 4-11 12
2. Policy Term (from) 05/30/11 (to) 05/30/12; Endorsement Effective Date 
3. Named Insured S E Pipe Line Construction Company
4. Address of Named Insured 11832 S. Bloomfield Ave, Santa Fe Springs, CA 90670
5. Limit of Liability Any One Occurrence/Aggregate \$ 9,000,000 / \$9,000,000
6. Deductible of Self-Insured Retention (Nil unless otherwise specified): \$ \_\_\_\_\_
7. Bodily Injury and Property Damage Coverage is:
 

	"claims-made"
X	"occurrence"

If claims-made, the retroactive date is \_\_\_\_\_

*Michael Allen*  
4/12/12

Note: The City's standard insurance requirements specify "occurrence" coverage. "Claims-made" coverage requires special approval.

**B. POLICY AMENDMENTS**

This endorsement is issued in consideration of the policy premium. Notwithstanding any inconsistent statement in the policy to which this endorsement is attached or any other endorsement attached thereto, it is agreed as follows:

1. **INSURED.** The City, its elected or appointed officials, employees, and agents are included as insureds with regard to damages and defense of claims arising from (a) activities performed by or on behalf of the Named Insured, (b) products and completed operations of the Named Insured, or (c) premises owned, leased, or used by the Named Insured.
2. **CONTRIBUTION NOT REQUIRED.** As respects: (a) work performed by the Named Insured for or on behalf of the City; or (b) products sold by the Named Insured to the City; or (c) premises leased by the Named Insure from the City, the insurance afforded by this policy shall be primary insurance as respects the City, its elected or appointed officials, employees, or agents; or stand in an unbroken chain of coverage excess of the Named Insured's schedule underlying primary coverage. In either event, any other insurance maintained by the City, its elected or appointed officials, employees or agents shall be in excess of this insurance and shall not contribute to it.
3. **SCOPE OF COVERAGE.** Affords coverage which is at least as broad as the primary insurance forms referenced in the preceding endorsements.
4. **SEVERABILITY OF INTEREST.** The insurance afforded by this policy applies separately to each insured which is seeking coverage or against whom a claim is made or a suit is brought, except with respects to the Company's limit of liability.



COMMERCIAL GENERAL LIABILITY

or the end of the policy period, whichever is earlier.

3. The insurance provided to the additional insured by this endorsement is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover under this endorsement. However, if a "written contract requiring insurance" for that additional insured specifically requires that this insurance apply on a primary basis or a primary and non-contributory basis, this insurance is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured for such loss, and we will not share with that "other insurance". But the insurance provided to the additional insured by this endorsement still is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under such "other insurance".

4. As a condition of coverage provided to the additional insured by this endorsement:

- a) The additional insured must give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:
  - i. How, when and where the "occurrence" or offense took place;
  - ii. The names and addresses of any injured persons and witnesses; and
  - iii. The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b) If a claim is made or "suit" is brought against the additional insured, the additional insured must:

- i. Immediately record the specifics of the claim or "suit" and the date received; and
- ii. Notify us as soon as practicable.

The additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.

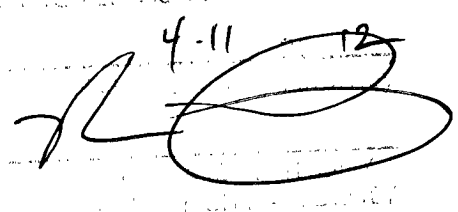
- c) The additional insured must immediately send us copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.
- d) The additional insured must tender the defense and indemnity of any claim or "suit" to any provider of "other insurance" which would cover the additional insured for a loss we cover under this endorsement. However, this condition does not affect whether the insurance provided to the additional insured by this endorsement is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured as described in paragraph 3. above.

5. The following definition is added to SECTION V. - DEFINITIONS:

"Written contract requiring insurance" means that part of any written contract or agreement under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

- a. After the signing and execution of the contract or agreement by you;
- b. While that part of the contract or agreement is in effect; and
- c. Before the end of the policy period.

4-11-12



Michael Celis

4/4/12



**ADDITIONAL REMARKS SCHEDULE**

<b>AGENCY</b> Garrett/Mosier/Griffith/Sistrunk Ins. Services		<b>NAMED INSURED</b> S E Pipe Line Construction Company 11832 S. Bloomfield Avenue Santa Fe Springs CA 90670	
<b>POLICY NUMBER</b>		<b>EFFECTIVE DATE:</b>	
<b>CARRIER</b>	<b>NAIC CODE</b>		

**ADDITIONAL REMARKS**

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,**  
**FORM NUMBER: 25      FORM TITLE: Certificate of Liability (05/10)**

**CERTIFICATE HOLDER: City of Long Beach Risk Management Bureau**  
**ADDRESS: 333 West Ocean Blvd 10th Floor Long Beach CA 90802**

RE: Plans & Specification No. G-290

As respects General Liability coverage, The City of Long Beach, its boards, and their officials, employees and agents are added as Additional Insured and this insurance is primary, per CGD2470805 attached.

As respects General Liability coverage, Separation of Insureds clause is included, per CG00011001.

As respects General Liability coverage, 30-day written notice of cancellation (10 days for non-payment of premium) applies per CGT3010786 attached.

As respects Automobile Liability coverage, The City of Long Beach, its boards, and their officials, employees and agents are added as Additional Insured, per CAT3530310 attached, and this insurance is primary, per CA00010310 attached.

As respects Automobile coverage, Separation of Insureds clause is included, per CA00010310.

As respects Automobile coverage, thirty (30) day notice of cancellation (10 days for non-payment of premium) applies per CAT3250299 attached.

As respects Workers' Compensation coverage, a Waiver of Subrogation is hereby included, per WC990376(A) attached.

As respects Workers' Compensation coverage, thirty (30) day notice of cancellation (10 days for non-payment of premium) applies per WC 99 06 11(A) attached.

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

## **NOTICE OF CANCELLATION**

### **A. SCHEDULE**

1. This endorsement modifies insurance provided under the following Coverage Part(s):

**COMMERCIAL GENERAL LIABILITY  
COVERAGE PART**

2. **Name:** The City of Long Beach, its boards, and their officials, employees and agents

**Address:** 333 West Ocean Blvd 10th Floor  
Long Beach, CA 90802

3. **Number of Days Notice:** 30

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

### **B. PROVISIONS**

No cancellation or material limitation of this (these) Coverage Part(s) shall become effective until the number of days written notice shown in

the Schedule above shall have been mailed to the person or organization scheduled above at the address shown above.



POLICY NUMBER: VTC2J-CAP-5642B652-TIL-11

COMMERCIAL AUTO  
ISSUE DATE:

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

## **NOTICE OF CANCELLATION**

This endorsement modifies insurance provided by the following:

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

### **SCHEDULE**

**1. Name:** The City of Long Beach, its boards, and their officials, employees and agents

**Address:** 333 West Ocean Blvd 10th Floor  
Long Beach, CA 90802

**2. Number of Days Notice:** 30

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

### **PROVISIONS**

We will mail notice of cancellation or material limitation of these coverage forms to the person or organization shown above. We will mail the notice at least the Number of Days indicated above before the effective date of our action.



**WORKERS COMPENSATION  
AND  
EMPLOYERS LIABILITY POLICY  
ENDORSEMENT WC 99 06 11 ( A)**

**POLICY NUMBER: (VTC2JUB-5642B67-6-11)**

**NOTICE OF CANCELLATION**

Except for non-payment of premium by you, we agree that no cancellation or limitation of this policy shall become effective until the number of day's written notice specified in item 2 of the Schedule has been mailed to you and to the person or organization designated in item 1 of the Schedule at the address indicated.

**SCHEDULE**

- 1. **Name:** The City of Long Beach, its boards, and their officials, employees and agents  
  
333 West Ocean Blvd 10th Floor  
Long Beach, CA 90802

**Address:**

- 2. **Number of Days Written Notice:** 30 **Additional Days**



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	Policy No.	Endorsement No.
Insured		Premium \$
Insurance Company	Countersigned by _____	

**DATE OF ISSUE:**

**ST ASSIGN:**

**Page 1 of 1**

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

## **ADDITIONAL INSURED (CONTRACTORS)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### **SCHEDULE**

#### **NAME OF PERSON(S) OR ORGANIZATION(S):**

The City of Long Beach, its boards, and their officials, employees and agents

#### **PROJECT/LOCATION OF COVERED OPERATIONS:**

Plans & Specification No. G-290

1. WHO IS AN INSURED – (Section II) is amended to include the person or organization shown in the Schedule above, but:
  - a) Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
  - b) If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" on or for the project, or at the location, shown in the Schedule. The person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.
2. The insurance provided to the additional insured by this endorsement is limited as follows:
  - a) In the event that the Limits of Insurance of this Coverage Part shown in the Declarations exceed the limits of liability required by a "written contract requiring insurance" for that additional insured, the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement shall not increase the limits of insurance described in Section III – Limits Of Insurance.
  - b) The insurance provided to the additional insured does not apply to "bodily injury", "property damage" or "personal injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services, including:
    - i. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders or change orders, or the preparing, approving, or failing to prepare or approve, drawings and specifications; and
    - ii. Supervisory, inspection, architectural or engineering activities.
  - c) The insurance provided to the additional insured does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless a "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage

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

## **BUSINESS AUTO EXTENSION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **BUSINESS AUTO COVERAGE FORM**

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

**GENERAL DESCRIPTION OF COVERAGE** – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to the Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- |   |   |
|---|---|
| <b>A. BROAD FORM NAMED INSURED</b>                                  | <b>H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT</b>  |
| <b>B. BLANKET ADDITIONAL INSURED</b>                                | <b>I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT</b> |
| <b>C. EMPLOYEE HIRED AUTO</b>                                       | <b>J. PERSONAL EFFECTS</b>  |
| <b>D. EMPLOYEES AS INSURED</b>                                      | <b>K. AIRBAGS</b>   |
| <b>E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS</b>                 | <b>L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS</b>                    |
| <b>F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS</b> | <b>M. BLANKET WAIVER OF SUBROGATION</b>                               |
| <b>G. WAIVER OF DEDUCTIBLE – GLASS</b>                              | <b>N. UNINTENTIONAL ERRORS OR OMISSIONS</b>                           |

### **PROVISIONS**

#### **A. BROAD FORM NAMED INSURED**

The following is added to Paragraph A.1., **Who Is An Insured**, of **SECTION II – LIABILITY COVERAGE**:

Any organization you newly acquire or form during the policy period over which you maintain 50% or more ownership interest and that is not separately insured for Business Auto Coverage. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

#### **B. BLANKET ADDITIONAL INSURED**

The following is added to Paragraph c. in A.1., **Who Is An Insured**, of **SECTION II – LIABILITY COVERAGE**:

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and

executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the **Who Is An Insured** provision contained in Section II.

#### **C. EMPLOYEE HIRED AUTO**

1. The following is added to Paragraph A.1., **Who Is An Insured**, of **SECTION II – LIABILITY COVERAGE**:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

**5. Transfer Of Rights Of Recovery Against Others To Us**

If any person or organization to or for whom we make payment under this coverage form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

**B. General Conditions**

**1. Bankruptcy**

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this coverage form.

**2. Concealment, Misrepresentation Or Fraud**

This coverage form is void in any case of fraud by you at any time as it relates to this coverage form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This coverage form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this coverage form.

**3. Liberalization**

If we revise this coverage form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

**4. No Benefit To Bailee – Physical Damage Coverages**

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this coverage form.

**5. Other Insurance**

a. For any covered "auto" you own, this coverage form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this coverage form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this coverage form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own.
- (2) Primary while it is connected to a covered "auto" you own.

b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

c. Regardless of the provisions of Paragraph a. above, this coverage form's Liability Coverage is primary for any liability assumed under an "insured contract".

d. When this coverage form and any other coverage form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our coverage form bears to the total of the limits of all the coverage forms and policies covering on the same basis.

**6. Premium Audit**

a. The estimated premium for this coverage form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

b. If this policy is issued for more than one year, the premium for this coverage form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.



5. PROVISIONS REGARDING THE INSURED'S DUTIES AFTER ACCIDENT OR LOSS. Any failure to comply with reporting provisions of the policy shall not affect coverage provided to the City, its elected or appointed officials, employees, or agents.

6. CANCELLATION NOTICE. The insurance afforded by this policy shall not be cancelled, nonrenwed, reduced in coverage, or materially changed in coverage or limits except after thirty (30) days' prior written notice by certified mail return receipt requested has been given to the City. Such notice shall be addressed as shown in the heading of this statement.

C. INCIDENT AND CLAIM REPORTING PROCEDURE

Incidents and claims are to be reported to the insurer at:

Attn: Claim Department  
Name and title

Department

Company RSUI Indemnity Co.

945 E. Paces Ferry Rd, #1800, Atlanta, GA 30326-1160

Address

City

State

Zip Code

( ) -  
Telephone number

(404 ) 262-4403  
Fax number

D. SIGNATURE OF INSURER OR AUTHORIZED REPRESENTATIVE OF THE INSURER

I, Sheril Tyre (print/type name), warrant that I have authority to bind the below listed insurance company and by my signature hereon do so bind this company.

Sign here

  
SIGNATURE OF AUTHORIZED REPRESENTATIVE (original signature required on endorsement furnished to the City)

TITLE: Vice President

DATE: 03/19/2012

ADDRESS: 15303 Ventura Blvd. #500, Sherman Oaks, CA 91403

TELEPHONE: 818-922-6449

FAX NUMBER: \_\_\_\_\_