

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

CONTRACT

30343

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3 THIS CONTRACT is made and entered, in duplicate, as of October 24,
4 2007 for reference purposes only, pursuant to a minute order adopted by the City Council
5 of the City of Long Beach at its meeting held on November 6, 2007, by and between
6 NOBEST, INC., a California corporation, whose address is 7600 Acacia Avenue, Garden
7 Grove, California 92841 ("Contractor"), and the CITY OF LONG BEACH, a municipal
8 corporation ("City").

9 WHEREAS, pursuant to a "Notice Inviting Bids for the Annual Contract for
10 Sidewalk Repairs, Curb Ramps, Alleys, Local and Major Street Concrete Repairs, and
11 Related Improvements in the City of Long Beach, California," dated October 3, 2007, and
12 published by City, bids were received, publicly opened and declared on the date specified
13 in said Notice; and

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

15 WHEREAS, the City Council authorized the City Manager to enter a
16 contract with Contractor for the work described in Plans & Specifications No. R-6720;

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

19 1. SCOPE OF WORK. Contractor shall furnish all necessary labor,
20 supervision, tools, materials, supplies, appliances, equipment and transportation for the
21 work described in "Plans & Specifications No. R-6720 for the Annual Contract for
22 Sidewalk Repairs, Curb Ramps, Alleys, Local and Major Street Concrete Repairs, and
23 Related Improvements in the City of Long Beach, California," said work to be performed
24 according to the Contract Documents identified below. However, this Contract is
25 intended to provide to City complete and finished work and, to that end, Contractor shall
26 do everything necessary to complete the work, whether or not specifically described in
27 the Contract Documents.

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1 A. City shall pay to Contractor the amount(s) for materials and
2 work identified in Contractor's "Bid for the Annual Contract for Sidewalk Repairs,
3 Curb Ramps, Alleys, Local and Major Street Concrete Repairs, and Related
4 Improvements in the City of Long Beach, California," attached hereto as Exhibit
5 "A".

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

9 3. CONTRACT DOCUMENTS.

10 A. The Contract Documents include: The Notice Inviting Bids,
11 Plans & Specifications No. R-6720 (which may include by reference the Standard
12 Specifications for Public Works Construction, latest edition, and any supplements
13 thereto, collectively the "Standard Specifications"); the City of Long Beach
14 Standard Plans; Plans and Drawings No. NONE for this work; the California Code
15 of Regulations; the various Uniform Codes applicable to trades; the prevailing
16 wage rates; Instructions to Bidders; the Bid; the bid security; the City of Long
17 Beach Disadvantaged, Minority and Women-Owned Business Enterprise Program;
18 this Contract and all documents attached hereto or referenced herein including but
19 not limited to insurance; Bond for Faithful Performance; Payment Bond; Notice to
20 Proceed; Notice of Completion; any addenda or change orders issued in
21 accordance with the Standard Specifications; any permits required and issued for
22 the work; approved final design drawings and documents; and the Information
23 Sheet. These Contract Documents are incorporated herein by the above
24 reference and form a part of this Contract.

25 B. Notwithstanding Section 2-5.2 of the Standard Specifications,
26 if any conflict or inconsistency exists or develops among or between Contract
27 Documents, the following priority shall govern: 1) Change Orders; 2) this Contract;
28 3) Permit(s) from other public agencies; 4) Plans & Specifications No. R-6720; 5)

1 Addenda; 6) Plans and Drawings No. NONE; 7) the City of Long Beach Standard
2 Plans; 8) Standard Specifications; 9) other reference specifications; 10) other
3 reference plans; 11) the bid; and 12) the Notice Inviting Bids.

4 4. TIME FOR CONTRACT. The term of this Contract shall commence
5 at midnight on November 1, 2007, and shall terminate at 11:59 p.m. on October 31, 2008,
6 unless sooner terminated as provided in this Contract, or unless the services or the
7 Project is completed sooner. Time is of the essence hereunder. City will suffer damage
8 if the work is not completed within the time stated, but those damages would be difficult
9 or impractical to determine. So, Contractor shall pay to City, as liquidated damages, the
10 amount stated in the Contract Documents.

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

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

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

25 8. CLAIMS. Contractor shall, upon completion of the work, deliver
26 possession thereof to City ready for use and free and discharged from all claims for labor
27 and materials in doing the work and shall assume and be responsible for, and shall
28 protect, defend, indemnify and hold harmless City from and against any and all claims,

1 demands, causes of action, liability, loss, costs or expenses for injuries to or death of
2 persons, or damages to property, including property of City, which arises from or is
3 connected with the performance of the work.

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

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

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

16 11. PREVAILING WAGE RATES. Contractor is directed to the
17 prevailing wage rates. Contractor shall forfeit, as a penalty to the City, Fifty Dollars (\$50)
18 for each laborer, worker or mechanic employed for each calendar day, or portion thereof,
19 that such laborer, worker or mechanic is paid less than the prevailing wage rates for any
20 work done by Contractor, or any subcontractor, under this Contract.

21 12. COORDINATION WITH GOVERNMENTAL REGULATIONS.

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

1 determination of the City Engineer shall be final.

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

9 13. NOTICES.

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

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

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

26 15. COVENANT AGAINST ASSIGNMENT. Neither this Contract nor
27 any of the moneys that may become due Contractor hereunder may be assigned by
28 Contractor without the written consent of City first had and obtained, nor will City

1 recognize any subcontractor as such, and all persons engaged in the work of
2 construction will be considered as independent contractors or agents of Contractor and
3 will be held directly responsible to Contractor.

4 16. CERTIFIED PAYROLL RECORDS. Contractor shall keep and
5 cause each subcontractor to keep an accurate payroll record in accordance with Division
6 2, Part 7, Article 2 of the California Labor Code. Contractor's failure to furnish such
7 record to City in the manner provided herein for notices shall entitle City to withhold the
8 penalty prescribed by law from progress payments due to Contractor.

9 17. RESPONSIBILITY OF CONTRACTOR. Notwithstanding anything to
10 the contrary in the Standard Specifications, Contractor shall have the responsibility, care
11 and custody of the work. If any loss or damage occurs to the work that is not covered by
12 collectible commercial insurance, excluding loss or damage caused by earthquake or
13 flood or the negligence or willful misconduct of City, then Contractor shall immediately
14 make the City whole for any such loss or pay for any damage. If Contractor fails or
15 refuses to make the City whole or pay, then City may do so and the cost and expense of
16 doing so shall be deducted from the amount due Contractor from City hereunder.

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

20 19. TAXES AND TAX REPORTING.

21 A. As required by federal and state law, City is obligated to report
22 the payment of compensation to Contractor on Form 1099-Misc. and Contractor
23 acknowledges that Contractor is not entitled to payment under this Contract until it
24 has provided its Employer Identification Number to City. Contractor shall be solely
25 responsible for payment of all federal and state taxes resulting from payments
26 under this Contract.

27 B. Contractor shall cooperate with City in all matters relating to
28 taxation and the collection of taxes, particularly with respect to the self-accrual of

1 use tax. Contractor shall cooperate as follows: (i) for all leases and purchases of
2 materials, equipment, supplies, or other tangible personal property totaling over
3 \$100,000 shipped from outside California, a qualified Contractor shall complete
4 and submit to the appropriate governmental entity the form in Appendix "A"
5 attached hereto; and (ii) for construction contracts and subcontracts totaling
6 \$5,000,000 or more, Contractor shall obtain a sub-permit from the California Board
7 of Equalization for the Work site. "Qualified" means that the Contractor purchased
8 at least \$500,000 in tangible personal property that was subject to sales or use tax
9 in the previous calendar year.

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

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

27 20. ADVERTISING. Contractor shall not use the name of City, its
28 officials or employees in any advertising or solicitation for business, nor as a reference,

1 without the prior approval of the City Manager, City Engineer or designee.

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

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

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

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

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

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

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

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

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

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

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all legal remedies available to it.

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.

NOBEST, INC., a California corporation

10-23-07, 2007

By [Signature]

Larry Nodland

(Type or Print Name)

President

(Title)

10-23-07, 2007

By [Signature]

Robert Nodland II

(Type or Print Name)

Secretary

(Title)

"Contractor"

CITY OF LONG BEACH, a municipal corporation

ASSISTANT

11-20, 2007

By [Signature]
City Manager

EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER.

"City"

This Contract is approved as to form on 11/16,

2007.

ROBERT E. SHANNON, City Attorney

By [Signature]
Deputy

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

ACKNOWLEDGMENT

State of : California

County of Orange

On October 23, 2007, before me Kay E. Anderson/Notary Public,
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Larry Nodland and Robert Nodland II,
Name(s) of Signer (s)

personally known to me
 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.



WITNESS my hand and official seal

Kay E. Anderson
Signature of Notary Public

Place Notary Seal Above

EXHIBIT “A”

Contractor’s Bid

BIDDER'S NAME: Nobest Inc

**BID FOR THE
ANNUAL CONTRACT FOR
SIDEWALK REPAIRS, CURB RAMPS, ALLEYS, LOCAL AND
MAJOR STREET CONCRETE REPAIRS, AND RELATED IMPROVEMENTS
IN THE CITY OF LONG BEACH, CALIFORNIA**

In accordance with the Notice Inviting Bids for the above titled Work in the City of Long Beach, California, a copy of which is attached hereto and is made a part hereof, to be opened on October 3, 2007, at 10:00 a.m., we propose to furnish all necessary labor, tools, materials, appliances and equipment for and perform all Work mentioned in said Notice Inviting Bids, in full compliance with Plans & Specifications No. R-6720 at the following prices:

ITEM NO.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE (IN FIGURES)	ITEM TOTAL (IN FIGURES)
1.	Adjust City Manhole Frame & Cover	20	Ea	\$ 200. ⁰⁰	\$ 4,000. ⁰⁰
2.	Adjust L.A.C.S.D. Manhole Frame & Cover	10	Ea	\$ 200. ⁰⁰	\$ 2,000. ⁰⁰
3.	Manhole Step	10	Ea	\$ 50. ⁰⁰	\$ 500. ⁰⁰
4.	Adjust Water Valve Box & Cover and Meter Box & Cover	150	Ea	\$ 50. ⁰⁰	\$ 7,500. ⁰⁰
5.	Reconstruct Water Valve Box & Cover	20	Ea	\$ 200. ⁰⁰	\$ 4,000. ⁰⁰
6.	Adjust Gas Valve Box & Cover	30	Ea	\$ 200. ⁰⁰	\$ 6,000. ⁰⁰
7.	Adjust Pull Box	50	Ea	\$ 100. ⁰⁰	\$ 5,000. ⁰⁰

ITEM NO.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE (IN FIGURES)	ITEM TOTAL (IN FIGURES)
8.	Replace Pull Box	50	Ea	\$ 200. ⁰⁰	\$ 10,000. ⁰⁰
9.	Survey Monument Type C with Casting & Cover	5	Ea	\$ 350. ⁰⁰	\$ 1,750. ⁰⁰
10.	Install Survey Monument Casting & Cover	5	Ea	\$ 650. ⁰⁰	\$ 3,250. ⁰⁰
11.	Adjust Survey Monument Casting & Cover	5	Ea	\$ 275. ⁰⁰	\$ 1,375. ⁰⁰
12.	Survey Bench Mark, Type 1	5	Ea	\$ 600. ⁰⁰	\$ 3,000. ⁰⁰
13.	Curb Drain	10	Ea	\$ 140. ⁰⁰	\$ 1,400. ⁰⁰
14.	Unclassified Excavation	1,300	CY	\$ 45. ⁰⁰	\$ 58,500. ⁰⁰
15.	Pavement Grinding 6" Wide, 1" Average Depth	200	LF	\$ 15. ⁰⁰	\$ 3,000. ⁰⁰
16.	Root Pruning, 14" Deep	12,000	LF	\$ 15. ⁰⁰	\$ 180,000. ⁰⁰
17.	Root Pruning, 26" Deep	5,000	LF	\$ 19. ⁰⁰	\$ 95,000. ⁰⁰
18.	Tree Pruning	1,400	Ea	\$ 200. ⁰⁰	\$ 280,000. ⁰⁰
19.	Tree Removal up to 24" Diameter Trunk	15	Ea	\$ 950. ⁰⁰	\$ 14,250. ⁰⁰

ITEM NO.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE (IN FIGURES)	ITEM TOTAL (IN FIGURES)
20.	Tree Removal, 25" to 36" Diameter Trunk	35	Ea	\$ 1500. ⁰⁰	\$ 52,500. ⁰⁰
21.	Remove and Replace Asphalt Concrete Pavement	1,000	SF	\$ 12. ⁰⁰	\$ 12,000. ⁰⁰
22.	P.C.C. Curb, GB Type A1	5,000	LF	\$ 32. ⁰⁰	\$ 160,000. ⁰⁰
23.	P.C.C. Curb, GB Type A1, Integral	5,000	LF	\$ 10. ⁰⁰	\$ 50,000. ⁰⁰
24.	P.C.C. Curb & Gutter, GB Type A2, W = 1.5'	60,000	LF	\$ 32. ⁰⁰	\$ 1,920,000. ⁰⁰
25.	P.C.C. Curb & Gutter, GB Type A2, W = 2'	2,000	LF	\$ 49. ⁰⁰	\$ 98,000. ⁰⁰
26.	P.C.C. Sidewalk, 3" Thick	500,000	SF	\$ 5. ⁸⁰	\$ 2,900,000. ⁰⁰
27.	P.C.C. Sidewalk, 4" Thick	2,000	SF	\$ 7. ⁰⁰	\$ 14,000. ⁰⁰
28.	P.C.C. Driveway Apron, 4" Thick	25,000	SF	\$ 6. ⁰⁰	\$ 150,000. ⁰⁰
29.	P.C.C. Driveway Apron, 6" Thick	2,000	SF	\$ 10. ⁰⁰	\$ 20,000. ⁰⁰
30.	P.C.C. Pavement, 6" Thick	75,000	SF	\$ 6. ⁵⁰	\$ 487,500. ⁰⁰
31.	P.C.C. Cross Gutter, 8" Thick	10,000	SF	\$ 12. ⁰⁰	\$ 120,000. ⁰⁰

ITEM NO.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE (IN FIGURES)	ITEM TOTAL (IN FIGURES)
32.	Concrete Joints	500	LF	\$ 3. ⁰⁰	\$ 1500. ⁰⁰
33.	(S) Curb Ramp Detectable Warning Surface	1,200	SF	\$ 50. ⁰⁰	\$ 60,000. ⁰⁰
34.	Curb Painting	5,000	LF	\$ 2. ⁰⁰	\$ 10,000. ⁰⁰
TOTAL AMOUNT BID				\$	6,736,025. ⁰⁰

Where did your company first hear about this City of Long Beach Public Works' project?

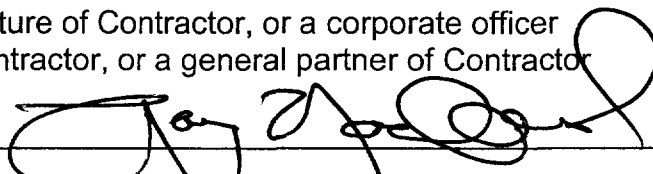
WORKERS' COMPENSATION CERTIFICATION

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:

NOBEST INCORPORATED

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



Title: **President**

Date: **10.23.07**

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: 665-3043-07
 - B. Name of Insurer (NOT Broker): State Compensation Insurance Fund
 - C. Address of Insurer: P.O. Box 420807 San Francisco, CA 94142-0807
 - D. Telephone Number of Insurer: (714) 347-5495

- 2) For vehicles owned by Contractor and used in performing work under this Contract:
 - A. VIN (Vehicle Identification Number): Various
 - B. Automobile Liability Insurance Policy Number: CBP8072949
 - C. Name of Insurer (NOT Broker): Golden Eagle Ins. Corporation
 - D. Address of Insurer: 525 B St. #100 San Diego CA
 - E. Telephone Number of Insurer: (800) 688-8661

- 3) Address of Property used to house workers on this Contract, if any: None

- 4) Estimated total number of workers to be employed on this Contract: 49
- 5) Estimated total wages to be paid those workers: \$2,345,000.00
- 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: [REDACTED]

EXHIBIT "C"

EXHIBIT “D”

List of Subcontractors:

LIST OF SUBCONTRACTORS

The Bidder shall set forth hereon, the name, location of the place of business, and telephone number of each subcontractor, including minority subcontractors, 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 1/2 of 1 percent of the Prime Contractor's total bid or \$10,000 (whichever is greater).

<u>Name and Address of Subcontractor</u>	<u>Classification or Type of Work</u>
Name <u>ALL POINTS SECURITY</u>	<u>SECURITY SERVICES</u>
Address <u>1560 E. 63RD ST.</u>	Dollar Amount of Contract \$ <u>5,000.⁰⁰ ESTIMATED</u>
City <u>LONG BEACH 90805</u>	DBE / MBE / WBE / Racial Origin _____ <small>(circle one)</small>
Phone No. <u>562/984-7782</u>	License No. _____
Name <u>V-F Tree Service</u>	<u>Tree Trimming - Removals</u>
Address _____	Dollar Amount of Contract \$ <u>375,000.⁰⁰</u>
City <u>Orange</u>	DBE / MBE / WBE / Racial Origin _____ <small>(circle one)</small>
Phone No. _____	License No. <u>654506</u>
Name <u>Case Land Surveying</u>	<u>Survey</u>
Address _____	Dollar Amount of Contract \$ _____
City <u>Orange</u>	DBE / MBE / WBE / Racial Origin _____ <small>(circle one)</small>
Phone No. _____	License No. <u>6-5411</u>
Name _____	_____
Address _____	Dollar Amount of Contract \$ _____
City _____	DBE / MBE / WBE / Racial Origin _____ <small>(circle one)</small>
Phone No. _____	License No. _____
Name _____	_____
Address _____	Dollar Amount of Contract \$ _____
City _____	DBE / MBE / WBE / Racial Origin _____ <small>(circle one)</small>
Phone No. _____	License No. _____
Name _____	_____
Address _____	Dollar Amount of Contract \$ _____
City _____	DBE / MBE / WBE / Racial Origin _____ <small>(circle one)</small>
Phone No. _____	License No. _____

BOND FOR FAITHFUL PERFORMANCE

Bond No. CE 8663

Premium: \$40,180.00

** KNOW ALL MEN BY THESE PRESENTS: That we, NOBEST, INC., as PRINCIPAL, and incorporated under the laws of the State of Washington, located at 111 Pacifica, Irvine, CA 92618, a corporation, 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 SIX MILLION SEVEN HUNDRED THIRTY SIX THOUSAND TWENTY-FIVE DOLLARS (\$6,736,025), 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.

**Contractors Bonding and Insurance Company

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 Annual Contract for Sidewalk Repairs, Curb Ramps, Alleys, Local and Major Street Concrete Repairs, and Related Improvements in the City of Long Beach, California 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 October, 2007.

Nobest Incorporated

Contractor

By:

[Handwritten signature of Larry Nodland]

Name: Larry Nodland

Title: President

By:

[Handwritten signature of Robert Nodland II]

Name: Robert Nodland II

Title: Secretary

Approved as to form this 16th day of November, 2007.

ROBERT E. SHANNON, City Attorney

By:

[Handwritten signature of Sarah Conway]

Deputy City Attorney

- 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.

Contractors Bonding and Insurance Company

SURETY, admitted in California

By:

[Handwritten signature of Linda D. Coats]

Name: Linda D. Coats

Title: Attorney in Fact

Telephone: 949-457-1060

Approved as to sufficiency this 16th day of November, 2007.

By:

[Handwritten signature of Jill M. Mon]

City Manager/City Engineer

ACKNOWLEDGMENT

State of : California

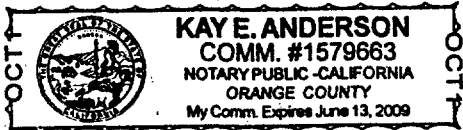
County of Orange

On October 23, 2007, before me Kay E. Anderson/Notary Public,
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Larry Nodland and Robert Nodland II,
Name(s) of Signer (s)

personally known to me
 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.



WITNESS my hand and official seal

Kay E. Anderson
Signature of Notary Public

Place Notary Seal Above

ACKNOWLEDGMENT

State of California
County of Orange

On OCT 23 2007 before me, Christine M. Rapp, Notary Public
(here insert name and title of the officer)

personally appeared Linda D. Coats

personally known to me (or 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.

WITNESS my hand and official seal.

Signature Christine M. Rapp



(Seal)

LABOR AND MATERIAL BOND

Bond No. CE 8663
Premium: Included

KNOW ALL MEN BY THESE PRESENTS: That we, NOBEST, INC., as PRINCIPAL, and ** located at 111 Pacifica No. 350, Irvine, CA 92618, a corporation, incorporated under the laws of the State of Washington, 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 SIX MILLION SEVEN HUNDRED THIRTY SIX THOUSAND TWENTY-FIVE DOLLARS (\$6,736,025), 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.

****Contractors Bonding and Insurance Company**

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 Annual Contract for Sidewalk Repairs, Curb Ramps, Alleys, Local and Major Street Concrete Repairs, and Related Improvements in the City of Long Beach, California and 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 October, 2007.

Nobest Incorporated

Contractor

By: 

Name: Larry Nodland

Title: President

By: 

Name: Robert Nodland II

Title: Secretary

Contractors Bonding and Insurance Company

SURETY, admitted in California

By: 

Name: Linda D. Coats

Title: Attorney in Fact

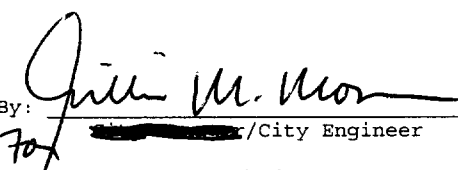
Telephone: 949-457-1060

Approved as to form this 16th day of November, 2007.

ROBERT E. SHANNON, City Attorney

By: 
Deputy City Attorney

Approved as to sufficiency this 16th day of November, 2007.

By: 
/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.

ACKNOWLEDGMENT

State of : California

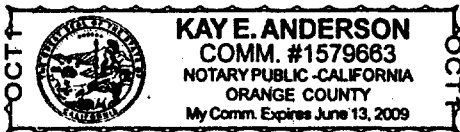
County of Orange

On October 23, 2007, before me Kay E. Anderson/Notary Public,
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Larry Nodland and Robert Nodland II,
Name(s) of Signer (s)

personally known to me
 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.



WITNESS my hand and official seal

Kay E. Anderson
Signature of Notary Public

Place Notary Seal Above

ACKNOWLEDGMENT

State of California
County of Orange

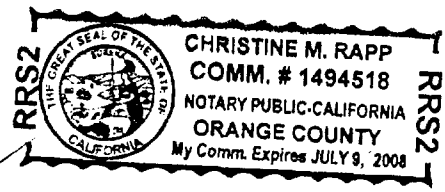
On OCT 23 2007 before me, Christine M. Rapp, Notary Public
(here insert name and title of the officer)

personally appeared Linda D. Coats

personally known to me (or 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.

WITNESS my hand and official seal.

Signature Christine M. Rapp



(Seal)



LIMITED POWER OF ATTORNEY

Not Valid for Bonds

Power of Attorney

Executed On or After: MAY 31ST, 2008

Number: 130859

READ CAREFULLY - to be used only with the bond specified herein

Only an unaltered original of this Power of Attorney document is valid. A valid original of this document is printed on gray security paper with black and red ink and bears the seal of Contractors Bonding and Insurance Company (the "Company"). The original document contains a watermark with the letters "cbic" embedded in the paper rather than printed upon it. The watermark appears in the blank space beneath the words "Limited Power of Attorney" at the top of the document and is visible when the document is held to the light. This document is valid solely in connection with the execution and delivery of the bond bearing the number indicated below, and provided also that the bond is of the type indicated below. This document is valid only if the bond is executed on or before the date indicated above.

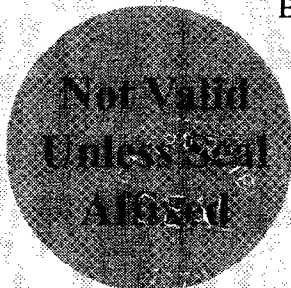
KNOW ALL MEN BY THESE PRESENTS, that the Company does hereby make, constitute and appoint the following: DOUGLAS A. RAPP and LINDA D. COATS its true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver on behalf of the Company: (1) any and all bonds and undertakings of suretyship given for any purpose, provided, however, that no such person shall be authorized to execute and deliver any bond or undertaking that shall obligate the Company for any portion of the penal sum thereof in excess of \$10,000,000, and provided, further, that no Attorney-in-Fact shall have the authority to issue a bid or proposal bond for any project where, if a contract is awarded, any bond or undertaking would be required with penal sum in excess of \$10,000,000; and (2) consents, releases and other similar documents required by an obligee under a contract bonded by the Company. This appointment is made under the authority of the Board of Directors of the Company.

CERTIFICATE

I, the undersigned secretary of Contractors Bonding and Insurance Company, a Washington corporation, DO HEREBY CERTIFY that this Power of Attorney remains in full force and effect and has not been revoked, and, futhermore, that the resolutions of the Board of Directors set forth on the reverse are now in full force and effect.

Bond Number CE 8663

Signed and sealed this 23rd day of October, 2007.



[Signature]

R. Kirk Eland, Secretary

CBIC • 1213 Valley Street • P.O. Box 9271 • Seattle, WA 98109-0271
(206) 622-7053 • (800) 765-CBIC (Toll Free) • (800) 950-1558 (FAX)

Certificate of Appointment and Resolutions of the Board of Directors

The undersigned President and Secretary of Contractors Bonding and Insurance Company hereby certify that the President has appointed the Attorney(s)-in-Fact identified on the front side of this power of attorney, under and by the authority of the following resolutions adopted by the Board of Directors of Contractors Bonding and Insurance Company at a meeting duly held on December 15, 1993:

RESOLVED, that the CEO, President, CFO, any Vice President, Secretary or any Assistant Secretary, and any other employee as may be specifically authorized by a particular board resolution (hereafter "Authorized Officer or Employee") may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the Company, to execute and deliver and affix the seal of the Company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and any Authorized Officer or Employee may remove any such attorney-in-fact or agent and revoke any power of attorney previously granted to such person.

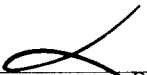
RESOLVED FURTHER, that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company:

- (i) when signed by the Authorized Officer or Employee and attested and sealed (if a seal be required); or
- (ii) when signed by the Authorized Officer or Employee, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or
- (iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the power of attorney issued by the Company to such person or persons.

RESOLVED FURTHER, that the signature of any Authorized Officer or Employee and the seal of the Company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company (unless otherwise specified in the power of attorney itself); and such signature and seal when so used shall have the same force and effect as though manually affixed.

RESOLVED FURTHER, that all previous resolutions of the Board of Directors concerning powers of attorney and attorneys-in-fact remain in full force and effect; that all forms of powers of attorney previously or in the future approved by the Board of Directors, including, but not limited to, so called "fax or facsimile powers of attorney", where the entire power of attorney is a facsimile, remain in full force and effect; and that one form of a power of attorney may be attached to one bond (for example, the form for which this resolution is a part may be attached to a bid bond), and another form of power of attorney may be attached to another bond (for example, a fax power of attorney may be attached to the final bond for a project for which the different form of power was attached to the bid bond) without affecting the validity of either power of attorney or bond.

IN WITNESS WHEREOF, Contractors Bonding and Insurance Company has caused these presents to be signed by its president and secretary, and its corporate seal to be hereunto affixed this 13th day of May, 2004.



Don Sirkin, President



Attest: R. Kirk Eland, Secretary

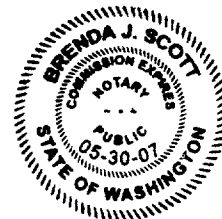
State of Washington
County of King

On May 13, 2004 before me, Brenda J. Scott Notary Public, personally appeared Don Sirkin and R. Kirk Eland personally known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me all that they executed the same in their authorized capacities and that by their signatures the entity upon behalf of which they acted executed the instrument.

WITNESS my hand and official seal.

Signature Brenda J. Scott (seal)

Brenda J. Scott, Notary Public



APPENDIX "A"

BOE-400-DP (FRONT) REV 1. (10-01)
**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 use tax direct payment application, 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 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) 324-2883, or write to the Board of Equalization, Public Information and Administration Section, MIC-44, PO Box 942879, Sacramento, CA 94279-0044.

Use Tax Direct Payment Exemption Certificate

I hereby certify that I hold use tax direct payment permit No. _____ issued pursuant to California Sales and Use Tax Law Section 7051.3 and that I am authorized to report and pay directly to the State the applicable use tax with respect to the property described herein which I shall purchase from:

(Name of Vendor)

(Address of Vendor)

In the event that I fail to timely report and pay the applicable tax to the State, I understand and agree that in addition to the tax liability, I will be liable for applicable interest and the amount due may be subject to penalties.

Description of property to be purchased:

Purchaser: _____ Date certificate given: _____

Signature and Title of Purchaser or Authorized Agent: _____

IMPORTANT NOTICE TO VENDORS

This exemption certificate when timely taken in good faith from a person who holds a use tax direct payment permit relieves a vendor from the requirement to collect and remit USE TAX on sales or leases of tangible personal property (other than leases of motor vehicles subject to the terms of Section 7205.1 of the Sales and Use Tax Law) to the person who issued the certificate. It does NOT relieve a vendor of any SALES TAX obligations. Generally, this certificate should be accepted only by out-of-state vendors or by lessors of tangible personal property other than motor vehicle lessors. Sellers can claim a deduction on their sales and use tax returns for any sales made under this certificate.

Vendors must retain a completed copy of this certificate in their files for a period of not less than four years to substantiate the exempt status of sales made under its authority.

This Exemption Certificate has been approved by the California State Board of Equalization.

Approved By: _____
(Deputy Director, Sales and Use Tax Department)

Date: _____

Questions regarding this form should be directed to 800 400-7115, or write to the Board of Equalization, Audit Evaluation and Planning Section, MIC 40, P.O. Box 942879, Sacramento, Ca 94279-0040.

THIS FORM MAY BE REPRODUCED

NOTICE TO INDIVIDUALS REGARDING INFORMATION FURNISHED TO THE BOARD OF EQUALIZATION

The Information Practices Act of 1977 and the Federal Privacy Act requires this agency to provide the following notice to individuals who are asked by the State Board of Equalization (Board) to supply information, including the disclosure of the individual's social security account number.

Individuals applying for permits, certificates, or licenses, or filing tax returns, statements, or other forms prescribed by this agency, are required to include their social security numbers for proper identification. [See Title 42 United States Code §405(c)(2)(C)(i)]. It is mandatory to furnish all the appropriate information requested by applications for registration, applications for permits or licenses, tax returns and other related data. Failure to provide all of the required information requested by an application for a permit or license could result in your not being issued a permit or license. In addition, the law provides penalties for failure to file a return, failure to furnish specific information required, failure to supply information required by law or regulations, or for furnishing fraudulent information.

Provisions contained in the following laws require persons meeting certain requirements to file applications for registration, applications for permits or licenses, and tax returns or reports in such form as prescribed by the State Board of Equalization: Alcoholic Beverage Tax, Sections¹ 32001-32556; Childhood Lead Poisoning Prevention Fee, Sections 43001-43651, Health & Safety Code, Sections 105275-105310; Cigarette and Tobacco Products Tax, Sections 30001-30481; Diesel Fuel Tax, Sections 60001-60709; Emergency Telephone Users Surcharge, Sections 41001-41176; Energy Resources Surcharge, Sections 40001-40216; Hazardous Substances Tax, Sections 43001-43651; Integrated Waste Management Fee, Sections 45001-45984; International Fuel Tax Agreement, Sections 9401-9433; Motor Vehicle Fuel License Tax, Sections 7301-8405; Occupational Lead Poisoning Prevention Fee, Sections 43001-43651, Health & Safety Code, Sections 105175-105197; Oil Spill Response, Prevention, and Administration Fees, Sections 46001-46751, Government Code, Sections 8670.1-8670.53; Publicly Owned Property, Sections 1840-1841; Sales and Use Tax, Sections 6001-7279.6; State Assessed Property, Sections 721-868, 4876-4880, 5011-5014; Tax on Insurers, Sections 12001-13170; Timber Yield Tax, Sections 38101-38908; Tire Recycling Fee, Sections 55001-55381, Public Resources Code, Sections 42860-42895; Underground Storage Tank Maintenance Fee, Sections 50101-50161, Health & Safety Code, Sections 25280-25299.96; Use Fuel Tax, Sections 8601-9355.

The principal purpose for which the requested information will be used is to administer the laws identified in the preceding paragraph. This includes the determination and collection of the correct amount of tax. Information you furnish to the Board may be used for the purpose of collecting any outstanding tax liability.

As authorized by law, information requested by an application for a permit or license could be disclosed to other agencies, including, but not limited to, the proper officials of the following: 1) United States governmental agencies: U.S. Attorney's Office; Bureau of Alcohol, Tobacco and Firearms; Depts. of Agriculture, Defense, Justice; Federal Bureau of Investigation; General Accounting Office; Internal Revenue Service; the Interstate Commerce Commission; 2) State of California governmental agencies and officials: Air Resources Board; Dept. of Alcoholic Beverage Control; Auctioneer Commission; Employment Development Department; Energy Commission; Exposition and Fairs; Food & Agriculture; Board of Forestry; Forest Products Commission; Franchise Tax Board; Dept. of Health Services; Highway Patrol; Dept. of Housing & Community Development; California Parent Locator Service; 3) State agencies outside of California for tax enforcement purposes; and 4) city attorneys and city prosecutors; county district attorneys, sheriff departments.

As an individual, you have the right to access personal information about you in records maintained by the State Board of Equalization. Please contact your local Board office listed in the white pages of your telephone directory for assistance. If the local Board office is unable to provide the information sought, you may also contact the Disclosure Office in Sacramento by telephone at (916) 445-2918. The Board officials responsible for maintaining this information, who can be contacted by telephone at (916) 445-6464, are: **Sales and Use Tax**, Deputy Director, Sales and Use Tax Department, 450 N Street, MIC:43, Sacramento, CA 95814; **Excise Taxes, Fuel Taxes and Environmental Fees**, Deputy Director, Special Taxes Department, 450 N Street, MIC:31, Sacramento, CA 95814; **Property Taxes**, Deputy Director, Property Taxes Department, 450 N Street, MIC:63, Sacramento, CA 95814.

¹All references are to the California Revenue and Taxation Code unless otherwise indicated.

CALIFORNIA STATE BOARD OF EQUALIZATION
 USE TAX DIRECT PAYMENT PERMIT



ACCOUNT NUMBER

DRAFT

THIS PERMIT DOES NOT AUTHORIZE THE HOLDER TO ENGAGE IN ANY BUSINESS CONTRACT TO LAWS REGULATING THAT BUSINESS OR TO POSSESS OR OPERATE ANY ILLEGAL DEVICE.

IS HEREBY AUTHORIZED PURSUANT TO SALES AND USE TAX LAW SECTION 7051.3 TO SELF-ASSESS AND PAY USE TAX DIRECTLY TO THE STATE OF CALIFORNIA

THIS PERMIT IS NOT A SELLER'S PERMIT TO ENGAGE IN SALES OF TANGIBLE PERSONAL PROPERTY

THIS PERMIT IS VALID UNTIL REVOKED OR CANCELED BUT IS NOT TRANSFERABLE. IF YOU SELL YOUR BUSINESS, OR DROP OUT OF A PARTNERSHIP, NOTIFY US OR YOU COULD BE RESPONSIBLE FOR SALES AND USE TAXES OWED BY THE NEW OPERATOR OF THE BUSINESS.

BOE-442-DPLZ (1-98)

**NOTICE TO INDIVIDUALS REGARDING
 INFORMATION FURNISHED TO THE BOARD OF EQUALIZATION**

The Information Practices Act of 1977 and the Federal Privacy Act requires this agency to provide the following notice to individuals who are asked by the State Board of Equalization (Board) to supply information, including the disclosure of the individual's social security account number.

Individuals applying for permits, certificates, or licenses, or filing tax returns, statements, or other forms prescribed by this agency, are required to include their social security numbers for proper identification. [See Title 42 United States Code Section 405(c)(2)(C)(i)]. It is mandatory to furnish all the appropriate information requested by applications for registration, applications for permits or licenses, tax returns and other related data. Failure to provide all of the required information requested by an application for a permit or license could result in your not being issued a permit or license. In addition, the law provides penalties for failure to file a return, failure to furnish specific information required, failure to supply information required by law or regulations, or for furnishing fraudulent information.

Provisions contained in the following laws require persons meeting certain requirements to file applications for registration, applications for permits or licenses, and tax returns or reports in such form as prescribed by the State Board of Equalization: Alcoholic Beverage Tax, Sections 32001-32556; Childhood Lead Poisoning Prevention Fee, Sections 43001-43651; Health & Safety Code, Sections 105275-105310; Cigarette and Tobacco Products Tax, Sections 30001-30481; Diesel Fuel Tax, Sections 60001-60709; Emergency Telephone Users Surcharge, Sections 41001-41176; Energy Resources Surcharge, Sections 40001-40215; Hazardous Substances Tax, Sections 43001-43651; Integrated Waste Management Fee, Sections 45001-45981; International Fuel Tax Agreement, Sections 9401-9433; Motor Vehicle Fuel License Tax, Sections 7301-8405; Occupational Lead Poisoning Prevention Fee, Sections 43001-43651, Health & Safety Code, Sections 105175-105197; Oil Spill Response, Prevention, and Administration Fees, Sections 45001-45751, Government Code, Sections 8670.1-8670.53; Publicly Owned Property, Sections 1840-1841; Sales and Use Tax, Sections 6001-7279.6; State Assessed Property, Sections 721-868, 4876-4880, 5011-5014; Tax on Insurers, Sections 12001-13170; Timber Yield Tax, Sections 38701-38908; Tire Recycling Fee, Sections 55001-55381, Public Resources Code, Sections 42860-42895; Underground Storage Tank Maintenance Fee, Sections 50101-50161, Health & Safety Code, Sections 25280-25299.96; Use Fuel Tax, Sections 8601-9355.

The principal purpose for which the requested information will be used is to administer the laws identified in the preceding paragraph. This information is used for the determination and collection of the correct amount of tax. Information you furnish to the Board may be used for the purpose of collecting your tax liability.

As authorized by law, information requested by an application for a permit or license could be disclosed to other agencies, including, but not limited to, the proper officials of the following: 1) United States governmental agencies: U.S. Attorney's Office; Bureau of Alcohol, Tobacco and Firearms; Depts. of Agriculture, Defense, Justice; Federal Bureau of Investigation; General Accounting Office; Internal Revenue Service; the Interstate Commerce Commission; 2) State of California governmental agencies and officials: Air Resources Board; Dept. of Alcoholic Beverage Control; Auctioneer Commission; Employment Development Department; Energy Commission; Exposition and Fairs; Food & Agriculture; Board of Forestry; Forest Products Commission; Franchise Tax Board; Dept. of Health Services; Highway Patrol; Dept. of Housing & Community Development; California Parent Locator Service; 3) State agencies outside of California for tax enforcement purposes; and 4) city attorneys and city prosecutors; county district attorneys, sheriff departments.

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