

CONTRACT

33881

THIS CONTRACT is made and entered, in duplicate, as of June 3, 2015 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 June 2, 2015, by and between CYCLEHOP, LLC, a Florida limited liability company ("Contractor"), with a place of business located at 604 Arizona Avenue, Suite 233, Santa Monica, California 90401, and the CITY OF LONG BEACH, a municipal corporation ("City").

WHEREAS, pursuant to a "Notice Inviting Bids for Bike Share Program Phase II in the City of Long Beach, California," dated April 15, 2015, 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 Plans and Specifications No. R-7015;

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 Plans and Specifications No. R-7015 for Bike Share Program Phase II 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 Bike Share Program Phase II in the City of Long Beach, California," attached hereto as Exhibit "A".

B. Contractor shall submit requests for progress payments and

1 City will make payments in due course of payments in accordance with Section 9 of
2 the Standard Specifications for Public Works Construction (latest edition).

3 3. CONTRACT DOCUMENTS.

4 A. The Contract Documents include: The Notice Inviting Bids,
5 Project Specifications No. R-7015 (which may include by reference the Standard
6 Specifications for Public Works Construction, latest edition, and any supplements
7 thereto, collectively the "Standard Specifications"); the City of Long Beach Standard
8 Plans; the California Code of Regulations; the various Uniform Codes applicable to
9 trades; the prevailing wage rates; Instructions to Bidders; the Bid; the bid security;
10 the City of Long Beach Disadvantaged, Minority and Women-Owned Business
11 Enterprise Program; this Contract and all documents attached hereto or referenced
12 herein including but not limited to insurance; Bond for Faithful Performance;
13 Payment Bond; Notice to Proceed; Notice of Completion; any addenda or change
14 orders issued in accordance with the Standard Specifications; any permits required
15 and issued for the work; approved final design drawings and documents; and the
16 Information Sheet. These Contract Documents are incorporated herein by the
17 above reference and form a part of this Contract.

18 B. Notwithstanding Section 2-5.2 of the Standard Specifications,
19 if any conflict or inconsistency exists or develops among or between Contract
20 Documents, the following priority shall govern: 1) Permit(s) from other public
21 agencies; 2) Change Orders; 3) this Contract (including any and all amendments
22 hereto); 4) Addenda (which shall include written clarifications, corrections and
23 changes to the bid documents and other types of written notices issued prior to bid
24 opening; 5) Project Specifications; 6) Project Plans (including drawings); 7) the City
25 of Long Beach Standard Plans; 8) Standard Specifications (as identified in Section
26 3.A. hereof, the "Greenbook"); 9) other reference specifications; 10) other
27 reference plans; 11) the bid; and 12) the Notice Inviting Bids.

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1 4. TIME FOR CONTRACT. Contractor shall commence work on a date
2 to be specified in a written "Notice to Proceed" from City and shall complete all work within
3 ninety (90) working days thereafter, subject to strikes, lockouts and events beyond the
4 control of Contractor. Time is of the essence hereunder. City will suffer damage if the
5 work is not completed within the time stated, but those damages would be difficult or
6 impractical to determine. So, Contractor shall pay to City, as liquidated damages, the
7 amount stated in the Contract Documents.

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

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

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

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

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

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

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

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

18 12. COORDINATION WITH GOVERNMENTAL REGULATIONS.

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

27 B. If Contractor is prevented, in any manner, from strict
28 compliance with the Plans and Specifications due to any Federal or State law, rule

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

6 13. NOTICES.

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

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

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

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

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16. CERTIFIED PAYROLL RECORDS.

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

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

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

17. RESPONSIBILITY OF CONTRACTOR. Notwithstanding anything to the contrary in the Standard Specifications, Contractor shall have the responsibility, care and custody of the work. If any loss or damage occurs to the work that is not covered by collectible commercial insurance, excluding loss or damage caused by earthquake or flood or the negligence or willful misconduct of City, then Contractor shall immediately make the

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

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

7 19. TAXES AND TAX REPORTING.

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

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

27 C. Contractor shall create and operate a buying company, as
28 defined in State of California Board of Equalization Regulation 1699, subpart (h), in

1 City if Contractor will purchase over \$10,000 in tangible personal property subject
2 to California sales and use tax.

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

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

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

25 21. AUDIT. If payment of any part of the consideration for this Contract is
26 made with federal, state or county funds and a condition to the use of those funds by City
27 is a requirement that City render an accounting or otherwise account for said funds, then
28 City shall have the right at all reasonable times to examine, audit, inspect, review, extract

1 information from, and copy all books, records, accounts and other information relating to
2 this Contract.

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

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

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

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

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

27 27. INTEGRATION. This Contract, including the Contract Documents
28 identified in Section 3 hereof, constitutes the entire understanding between the parties and

1 supersedes all other agreements, oral or written, with respect to the subject matter herein.

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

10 29. EQUAL BENEFITS ORDINANCE. Unless otherwise exempted in
11 accordance with the provisions of the Ordinance, this Contract is subject to the applicable
12 provisions of the Equal Benefits Ordinance ("EBO"), section 2.73 et seq. of the Long Beach
13 Municipal Code, as amended from time to time.

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

18 "During the performance of a Contract with the City of Long Beach, the
19 Contractor will provide equal benefits to employees with spouses and its
20 employees with domestic partners. Additional information about the City of
21 Long Beach's Equal Benefits Ordinance may be obtained from the City of
22 Long Beach Business Services Division at 562-570-6200."

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

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

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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

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

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

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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.

CYCLEHOP, LLC, a Florida limited liability company

June 11th, 2015

By [Signature]
Name JOSEH SQUIRE
Title CFO

_____, 2015

By _____
Name _____
Title _____

"Contractor"

CITY OF LONG BEACH, a municipal corporation

6/19, 2015

By [Signature]
City Manager

"City"

This Contract is approved as to form on 6/19, 2015.

CHARLES PARKIN, City Attorney

By [Signature]
Deputy

EXHIBIT A

Awarded: Whole Bid

BIDDER'S NAME: CYCLEHOP, LLC

**BID TO THE CITY OF LONG BEACH
BIKE SHARE PROGRAM PHASE II**

In accordance with the Notice Inviting Bids for this Work in the City of Long Beach, California, to be opened on May 8, 2015, at 10:00 a.m., we offer to furnish all necessary labor, tools, materials, appliances and equipment for and perform all Work mentioned in the Notice Inviting Bids, in full compliance with Plans & Specifications No. R-7015 at the prices listed below.

We certify that we have examined the site and that the Bid is complete. By signing the Bid, we certify that the Contractor will not submit a claim based on failure to examine the site thoroughly.

| ITEM NO. | ITEM DESCRIPTION | ESTIMATED QUANTITY | UNIT | UNIT PRICE (IN FIGURES) | ITEM TOTAL (IN FIGURES) |
|----------|--------------------------|--------------------|------|-------------------------|-------------------------|
| 1 | Bicycles | 500 | EA | \$1,760 | \$880,000 |
| 2 | Stations | 50 | EA | \$17,475 | \$873,750 |
| 3 | Construction Engineering | 1 | LS | \$150,000 | \$150,000 |
| 4 | Site Preparation | 1 | LS | \$75,000 | \$75,000 |

TOTAL AMOUNT BID

\$1,978,750

We understand that these quantities are estimates only and are given solely for the purpose of facilitating the comparison of Bids, and that the Contractor's compensation will be computed on the basis of the actual quantities in the completed Work.

The following information will be used for statistical analysis only.

Is the Bidder a Minority-Owned Business? No Which racial minority? _____

Is the Bidder a Women-Owned Business? No

Is the Bidder a Disadvantaged Business Enterprise (DBE)? No Reg No. _____

EXHIBIT B
Workers Compensation Certificate

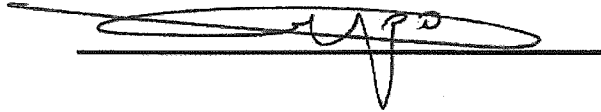
WORKERS' COMPENSATION CERTIFICATION

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

Contractor's Name:

CYCLEHOP, LLC

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



Title: CEO

Date: 5/13/2015

EXHIBIT C

Information to Comply with Labor Code Section 2810

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: 5084949186
 - B. Name of Insurer (NOT Broker): Transportation Insurance Co
 - C. Address of Insurer: 333 S. Wabash Chicago IL 60604
 - D. Telephone Number of Insurer: 630-719-3307

- 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: 5086242974
 - C. Name of Insurer (NOT Broker): The Continental insurance Company
 - D. Address of Insurer: 333 S. Wabash Chicgo IL 60604
 - E. Telephone Number of Insurer: 630-719-3307

- 3) Address of Property used to house workers on this Contract, if any: _____
TBD

- 4) Estimated total number of workers to be employed on this Contract: 6 to 10
- 5) Estimated total wages to be paid those workers: \$250,000
- 6) Dates (or schedule) when those wages will be paid: _____
Bi-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: _____
2 to 5

- 8) Taxpayer's Identification Number: [REDACTED]

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, the location of the place of business, and the California contractor license number 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, location of business, contractor license number 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 | Coleman Construction Inc. | Type of Work | |
| Address | 1973 W 48th Street | Bikeshare site preparation, equipment assembly and install | |
| City | Los Angeles, CA 90062 | Dollar Value of Subcontract | \$ 225,000 |
| Phone No. | (323) 295-5484 | | |
| License No. | 697040, Class A Class B | | |

| | | | |
|-------------|-----------------------------|-----------------------------|---|
| Name | Social Bicycle Inc. | Type of Work | Bikeshare equipment manufacture and technology provider |
| Address | 47 Hall St, Ste 414, Box F9 | Dollar Value of Subcontract | \$ 1,500,000 |
| City | Brooklyn, NY 11205 | | |
| Phone No. | (917) 746-7624 | | |
| License No. | Not applicable | | |

| | | | |
|-------------|----------------------------------|-----------------------------|-------------------------------------|
| Name | Smooove SAS | Type of Work | Consulting and Software Integration |
| Address | 65 Impasse des Trois Pointes | Dollar Value of Subcontract | \$ 200,000 |
| City | 34980 Saint Gély du Fesc, FRANCE | | |
| Phone No. | 33 6 07 03 44 47 | | |
| License No. | Not applicable | | |

| | | | |
|-------------|--|-----------------------------|----|
| Name | | Type of Work | |
| Address | | Dollar Value of Subcontract | \$ |
| City | | | |
| Phone No. | | | |
| License No. | | | |

| | | | |
|-------------|--|-----------------------------|----|
| Name | | Type of Work | |
| Address | | Dollar Value of Subcontract | \$ |
| City | | | |
| Phone No. | | | |
| License No. | | | |

**IRREVOCABLE DIRECTIVE TO PAY CONTRACT PROCEEDS
IN CARE OF FORTRESS NATIONAL GROUP AS DISBURSING AGENT**

Dated: June 3, 2015

From: Cyclehop, LLC

To: City of Long Beach, CA

We have entered into a construction contract with you on a project known as Bike Share Program Phase II ("Project") under which you have agreed, in exchange for our performance, to pay us the proceeds that we have earned ("Contract Proceeds").

Our bonding company has required us to enter into a Disbursement Agreement with Fortress National Group, LLC ("Fortress National") under which the Contract Proceeds will be deposited into a disbursement account maintained by Fortress National, although in our company's name, to pay those providing labor, material and services on the Project.

We request that you send all Contract Proceeds to Fortress National. **Your checks should still be made payable to our company, but they should be sent directly to Fortress National Group, LLC at 240 Cedar Knolls Road, Suite 308, Cedar Knolls, NJ 07927.** Please let us know if you intend to make electronic payments of the Contract Proceeds, so that we may arrange for Fortress National to provide you with routing information.

This directive may not be revoked by us and may only be changed by the written and notarized consent of Fortress National.

Your signature below, indicating your agreement to make payment in this manner, is a condition of our bonding company's execution of our payment and performance bonds on this Project. We thank you for your cooperation and look forward to a successful performance and completion of the Project.

Cyclehop, LLC

By: _____

Josh Squire
Managing Member

Agreed and Acknowledged by the Authorized Representative of the City of Long Beach, CA:

Name: ARA HALOTAN

Title: CITY ENGR.

Date: 6/12/15

Telephone and email: _____

BOND FOR FAITHFUL PERFORMANCE

KNOW ALL MEN BY THESE PRESENTS: That we, Cyclehop, LLC, as PRINCIPAL, and Lexon Insurance Company, located at 900 S. Frontage Road, STE 250, Woodridge, IL 60517, a corporation, incorporated under the laws of the State of Texas, admitted as a surety in the State of California, and authorized to transact business in the State of California, as SURETY, are held and firmly bound unto the CITY OF LONG BEACH, CALIFORNIA, a municipal corporation, in the sum of SIXTY-SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$67,500), 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 Bike Share Program Phase I and is required by said City to give this bond in connection with the execution of said contract;

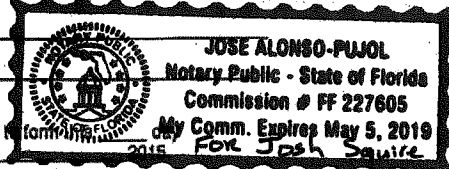
NOW, THEREFORE, if said Principal shall well and truly keep and faithfully perform all of the covenants, conditions, agreements and obligations of said contract on said Principal's part to be kept, done and performed, at the times and in the manner specified therein, then this obligation shall be null 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 11th day of June, 2015.

CYCLEHOP, LLC
Contractor
By: [Signature]
Name: Josh Squire
Title: CEO

LEXON INSURANCE COMPANY
SURETY, admitted in California
By: [Signature]
Name: Thomas E. Riordan
Title: Attorney-in-Fact
Telephone: 630-468-5400

By: _____
Name: _____
Title: _____
Approved as Notary Public on this 11th day of JUNE, 2015.


Approved as to sufficiency this 12th day of JUNE, 2015.

CHARLES PARKIN, City Attorney
By: _____
Deputy City Attorney

By: [Signature]
City Manager/City Engineer

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

APPROVED AS TO FORM
6/19, 2015
CHARLES PARKIN, City Attorney
By: [Signature]
LINDA T. VU
DEPUTY CITY ATTORNEY

LABOR AND MATERIAL BOND

KNOW ALL MEN BY THESE PRESENTS: That we, Cyclehop, LLC as PRINCIPAL, and Lexon Insurance Company, located at 900 S. Frontage Road, STE 250, Woodridge, IL 60517, a corporation, incorporated under the laws of the State of Texas, admitted as a surety in the State of California, and authorized to transact business in the State of California, as SURETY, are held and firmly bound unto the CITY OF LONG BEACH, a municipal corporation, in the sum of **ONE MILLION NINE HUNDRED SEVENTY-EIGHT THOUSAND SEVEN HUNDRED FIFTY DOLLARS (\$1,978,750)**, 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 Bike Share Program Phase II 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.

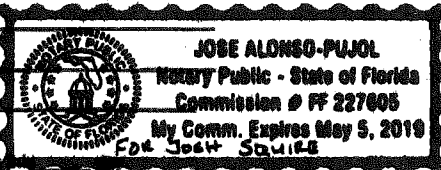
IN WITNESS WHEREOF, the above-named Principal and Surety have executed, or caused to be executed, this instrument with all of the formalities required by law on this 11th day of June, 2015.

CYCLEHOP, LLC
Contractor
By: [Signature]
Name: Josh Squire
Title: CEO

LEXON INSURANCE COMPANY
SURETY, admitted by California
By: [Signature]
Name: Thomas E. Riordan
Title: Attorney-in-Fact

Telephone: 630-468-5400

By: _____
Name: _____
Title: _____
Approved as to form of _____ 2015.



Approved as to sufficiency this 12 day of JUNE, 2015.

CHARLES PARKIN, City Attorney
By: _____
Deputy City Attorney

By: [Signature]
City Manager/City Engineer

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

APPROVED AS TO FORM
6/19, 2015
CHARLES PARKIN, City Attorney
By: [Signature]
DEPUTY CITY ATTORNEY

State of Florida

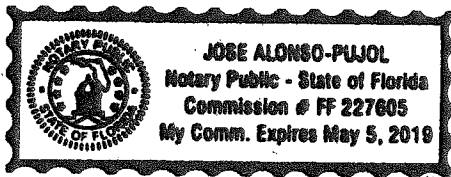
County of Dade

I, Jose A. Pujol Notary Public of Miami - Dade County, in the

State of Florida do hereby certify that Josh Squire, Managing Member of Cyclehop, LLC, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he/she signed, sealed and delivered said instrument, for and on behalf of Cyclehop, LLC for the uses and purposes therein set forth. *(BOND FOR FAITHFUL PERFORMANCE)*

Given under my hand and notarial seal at my office in the City of Miami Beach

in said County, this 17th day of June, A.D. 2015



[Signature]
(Notary Public)

SURETY COMPANY ACKNOWLEDGMENT

State of Illinois

County of DuPage

I, Sara Lehnerer Notary Public of Cook County, in the

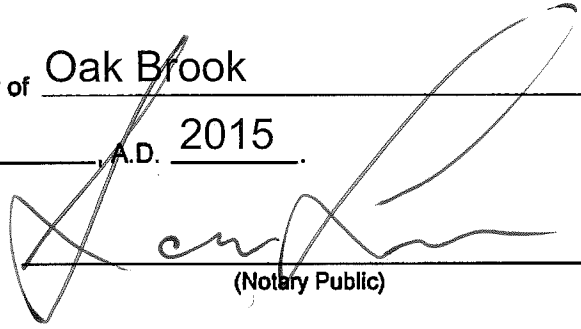
State of Illinois do hereby certify that Thomas E. Riordan,

Attorney-in-Fact, of the Lexon Insurance Company,

who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he/she signed, sealed and delivered said instrument, for and on behalf of the Lexon Insurance Company, for the uses and purposes therein set forth.

Given under my hand and notarial seal at my office in the City of Oak Brook

in said County, this 11th day of June, A.D. 2015.



(Notary Public)



POWER OF ATTORNEY

LX- 205495

Lexon Insurance Company

KNOW ALL MEN BY THESE PRESENTS, that LEXON INSURANCE COMPANY, a Texas Corporation, with its principal office in Louisville, Kentucky, does hereby constitute and appoint:

William F. Riordan, Thomas E. Riordan, John J. Scully, *****

Patrick V. Scully*****

its true and lawful Attorney(s)-In-Fact to make, execute, seal and deliver for, and on its behalf as surety, any and all bonds, undertakings or other writings obligatory in nature of a bond.

This authority is made under and by the authority of a resolution which was passed by the Board of Directors of LEXON INSURANCE COMPANY on the 1st day of July, 2003 as follows:

Resolved, that the President of the Company is hereby authorized to appoint and empower any representative of the Company or other person or persons as Attorney-In-Fact to execute on behalf of the Company any bonds, undertakings, policies, contracts of indemnity or other writings obligatory in nature of a bond not to exceed \$ 2,500,000.00, Two-million five hundred thousand dollars, which the Company might execute through its duly elected officers, and affix the seal of the Company thereto. Any said execution of such documents by an Attorney-In-Fact shall be as binding upon the Company as if they had been duly executed and acknowledged by the regularly elected officers of the Company. Any Attorney-In-Fact, so appointed, may be removed for good cause and the authority so granted may be revoked as specified in the Power of Attorney.

Resolved, that the signature of the President and the seal of the Company may be affixed by facsimile on any power of attorney granted, and the signature of the Assistant Secretary, and the seal of the Company may be affixed by facsimile to any certificate of any such power and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certificate so executed and sealed shall, with respect to any bond of undertaking to which it is attached, continue to be valid and binding on the Company.

IN WITNESS THEREOF, LEXON INSURANCE COMPANY has caused this instrument to be signed by its President, and its Corporate Seal to be affixed this 21st day of September, 2009.



LEXON INSURANCE COMPANY

BY

Signature of David E. Campbell, President

David E. Campbell
President

ACKNOWLEDGEMENT

On this 21st day of September, 2009, before me, personally came David E. Campbell to me known, who be duly sworn, did depose and say that he is the President of LEXON INSURANCE COMPANY, the corporation described in and which executed the above instrument; that he executed said instrument on behalf of the corporation by authority of his office under the By-laws of said corporation.



AMY L. TAYLOR
Notary Public- State of Tennessee
Davidson County
My Commission Expires 01-09-16

BY

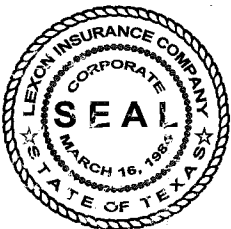
Signature of Amy J. Taylor

Amy J. Taylor
Notary Public

CERTIFICATE

I, the undersigned, Assistant Secretary of LEXON INSURANCE COMPANY, A Texas Insurance Company, DO HEREBY CERTIFY that the original Power of Attorney of which the forgoing is a true and correct copy, is in full force and effect and has not been revoked and the resolutions as set forth are now in force.

Signed and Seal at Mount Juliet, Tennessee this 11th Day of June, 2015.



BY

Signature of Andrew Smith

Andrew Smith
Assistant Secretary

WARNING: Any person who knowingly and with intent to defraud any insurance company or other person, files and application for insurance of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.