



# AGENDA REPORT

## CITY OF SAN CLEMENTE

### City Council Meeting

910 Calle Negocio  
2nd Floor  
San Clemente, California  
www.san-clemente.org

Meeting Date: 7/18/2023

Agenda Item: 6H

**Department:** Public Works  
**Prepared By** Masako Hennequin, Associate Civil Engineer

**Subject:**

**RESOLUTION AWARDING A CONSTRUCTION CONTRACT TO ROY ALLAN SLURRY SEAL, INC. FOR THE FY 2023-2024 STREET IMPROVEMENT PROGRAM, PROJECT NO. 14337, AUTHORIZING THE CITY MANAGER TO EXECUTE THE CONTRACT, AND FINDING THE PROJECT CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

**Summary:**

The FY 2023-2024 Street Improvement Program, Project No. 14337 includes asphalt pavement and concrete repair work on various streets, alleys and parking lots. The pavement work will consist of rehabilitating deteriorated pavement sections, crack seal and overlay as a part of the City's ongoing pavement maintenance program. The scope also includes removing and reconstructing deteriorated concrete curb and gutter, cross gutter, sidewalk and driveway approaches, removing and replacing water meter boxes, adjusting utility boxes, installing traffic detection loops, and restriping streets after the completion of pavement repairs.

Before the City Council is the award of a construction contract to Roy Allan Slurry Seal, Inc. in an amount not to exceed \$2,754,072, plus a 10% project contingency, for pavement improvements on various streets as shown on the location map (Attachment 2).

**Background:**

Bids were opened on June 22, 2023 and the results are presented on the attached Bidder's Listing (Attachment 3). Bids ranged from \$2,754,072 to \$4,550,000. There were no responsive and responsible bidders from businesses based in San Clemente.

Every year the Public Works Department spends approximately \$5M to \$8M dollars for pavement rehabilitation, repair and maintenance. This project is one of two Citywide street improvements projects that Public Works will bid and award each fiscal year, one project in fall and another in spring.

The lowest responsive and responsible bidder was Roy Allan Slurry Seal, Inc. of Santa Fe Springs, California with a total bid amount of \$2,754,072.

Based on the low bid, the total estimated project cost is \$3,167,183, as summarized below:

Project Cost Summary

Construction	\$2,754,072
Construction Design, Management & Inspection (5%)	\$137,704
Project Contingency (10%)	\$275,407
Estimated Total Project Cost	\$3,167,183

As required by City policy and state law, the Contractor will be required to provide performance and payment bonds simultaneously with execution of the construction contract (Attachment 4). Project plans and specifications are on file in the City Clerk’s Office.

	<b>BIDDER</b>	<b>AMOUNT</b>
1	Roy Allan Slurry Seal, Inc.	\$ 2,754,071.62
2	R.J. Noble Company	\$ 3,443,958.10
3	All American Asphalt	\$ 3,533,335.30
4	PALP, Inc.	\$ 3,552,762.00
5	Hardy & Harper, Inc.	\$ 4,550,000.00

**Council Options:**

- Adopt Resolution No. 23-65, awarding the FY 2023-2024 paving contract to Roy Allan Slurry Seal, Inc., authorizing the City Manager to execute a construction contract an amount not to exceed \$2,754,072, plus a 10% project contingency of \$275,407, and finding the project categorically exempt from CEQA under Class 1 (Existing Facilities, 14 CCR section 15301) of the State CEQA Guidelines.
  
- Modify and adopt Resolution No. 23-65.
  
- Continue the item with direction to provide additional information.
  
- Do not award the contract or construct the pavement repairs.

**Fiscal Impact:**

Yes. The estimated total project cost of \$3,167,183 is within the approved budget amount of \$3,230,000. A combined amount of \$1,500,000 from account number 042-848-45300-000-14337 FY 2024 Street Improvement Program, \$400,000 from account number 042-848-45300-000-14336 FY 2024 Alley Rehabilitation Program, \$550,000 from account number 001-416-45720-000-24302 FY 2024 Major Street Maintenance, \$750,000 from account number 012-861-45300-000-14335 FY 2024 Local Street Pavement Maintenance, and \$30,000 from account number 019-819-43690-000-39807 Traffic Calming Program will be used to fund the project.

**Environmental Review/Analysis:**

This project is categorically exempt from the California Environmental Quality Act (CEQA) under Class 1 (Existing Facilities, 14 CCR section 15301) of the State CEQA Guidelines.

***Recommended Actions:***

**Staff Recommendation**

Adopt Resolution No. 23-65 which will:

1. Find the FY 2023-2024 Street Improvement Program, Project No. 14337 categorically exempt from the California Environmental Quality Act (CEQA) under Class 1 (Existing Facilities, 14 CCR section 15301) of the State CEQA Guidelines;
2. Award the FY 2023-2024 Street Improvement Program, Project No. 14337, contract to Roy Allan Slurry Seal, Inc.; and
3. Authorize the City Manager to execute a contract with Roy Allan Slurry Seal, Inc. in an amount not to exceed \$2,754,072, plus a 10% project contingency of \$275,407, for the FY 2023-2024 Street Improvement Program, Project No. 14337, in a form substantially similar to Contract No. C23-39 (Attachment 4).

***Attachment:***

1. Resolution No. 23-65
2. Location Map
3. Summary of Bids
4. Contract

***Notification:***

None.

RESOLUTION NO. 23-65

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN CLEMENTE, CALIFORNIA, AWARDING A CONSTRUCTION CONTRACT TO ROY ALLAN SLURRY SEAL, INC. TO PERFORM FY 2024 STREET IMPROVEMENTS, AUTHORIZING THE CITY MANAGER TO EXECUTE THE CONTRACT AND FINDING THE PROJECT CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) UNDER CLASS 1 (EXISTING FACILITIES, 14 CCR SECTION 15301) OF THE STATE CEQA GUIDELINES

WHEREAS, the City conducted formal competitive bidding for the FY 2024 Street Improvement Program, Project No. 14337 (Project); and

WHEREAS, on June 22, 2023, the City received 5 bids ranging from \$2,754,072 to \$4,550,000 for the Project; and

WHEREAS, the Roy Allan Slurry Seal, Inc. was the lowest responsive and responsible bidder with a bid of \$2,754,072.

NOW, THEREFORE, the City Council of the City of San Clemente does hereby resolves as follows:

SECTION 1. That the above recitations are true and correct and incorporated herein.

SECTION 2. That the project is categorically exempt from the California Environmental Quality Act (CEQA) under Class 1 (Existing Facilities, 14 CCR section 15301) of the State CEQA Guidelines because it consists of replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced and there is no possibility of a direct or reasonably foreseeable indirect effect on the environment.

SECTION 3. That the Construction Contract Agreement for the FY 2024 Street Improvement Program, Project No. 14337 is awarded to Roy Allan Slurry Seal, Inc.

SECTION 4. That the City Manager is authorized and directed to execute a construction contract for the FY 2024 Street Improvement Program, Project No. 14337 with Roy Allan Slurry Seal, Inc. in an amount not to exceed \$2,754,072, plus a 10% project contingency of \$275,407, in a form substantially similar to that

presented to City Council on June 6, 2023.

SECTION 5. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED this \_\_\_\_\_ day of July 2023.

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Mayor of the City of  
San Clemente, California

ATTEST:

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CITY CLERK of the City of  
San Clemente, California

STATE OF CALIFORNIA )  
COUNTY OF ORANGE ) §  
CITY OF SAN CLEMENTE )

I, LAURA CAMPAGNOLO, City Clerk of the City of San Clemente, California, do hereby certify that Resolution No. 23-65 was adopted at a regular meeting of the City Council of the City of San Clemente held on \_\_\_\_\_ day of July 2023, by the following vote:

AYES:

NOES:

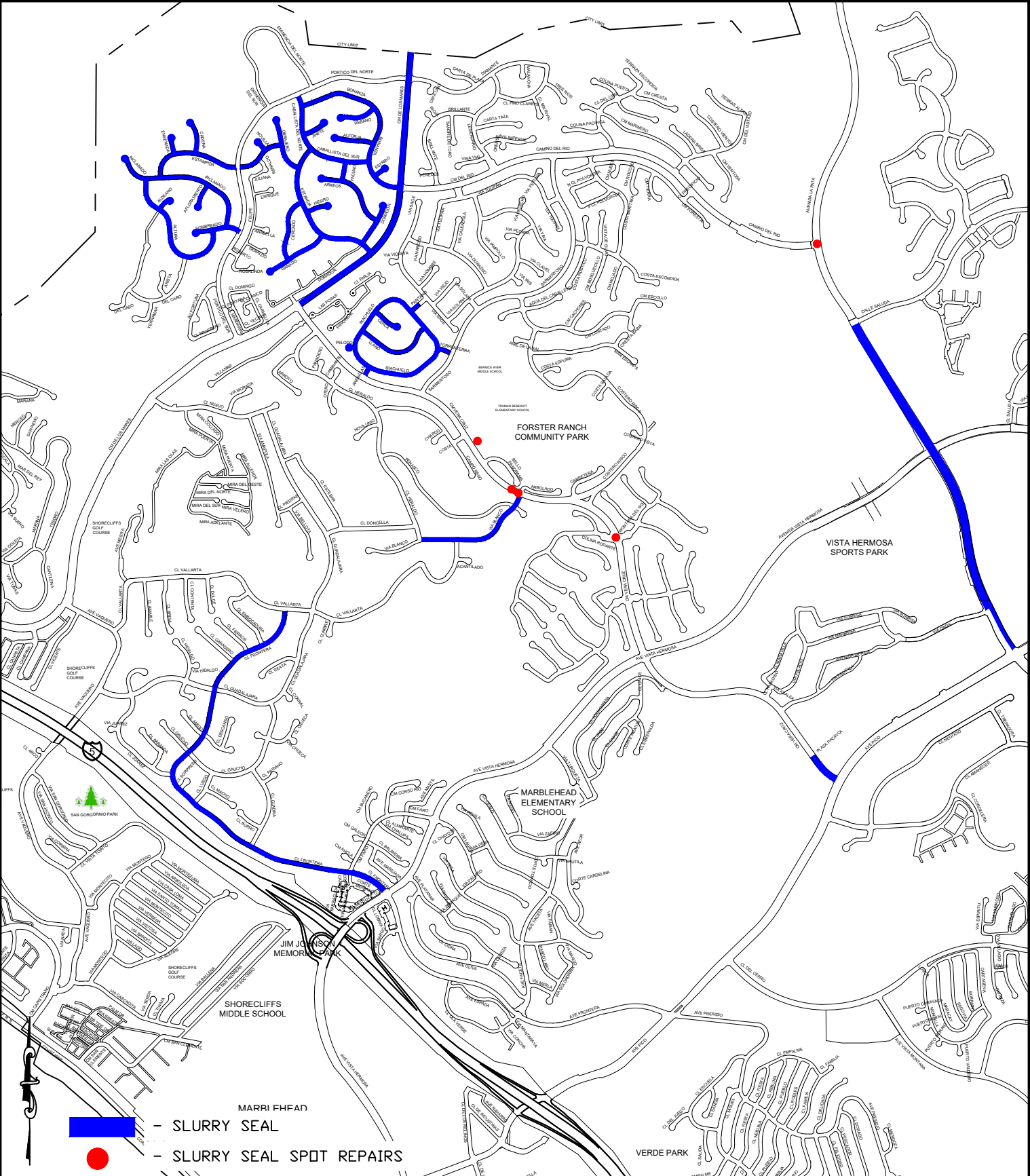
ABSENT:

\_\_\_\_\_  
CITY CLERK of the City of  
San Clemente, California

Approved as to form:

\_\_\_\_\_  
Elizabeth A. Mitchell, City Attorney

6.20.2023



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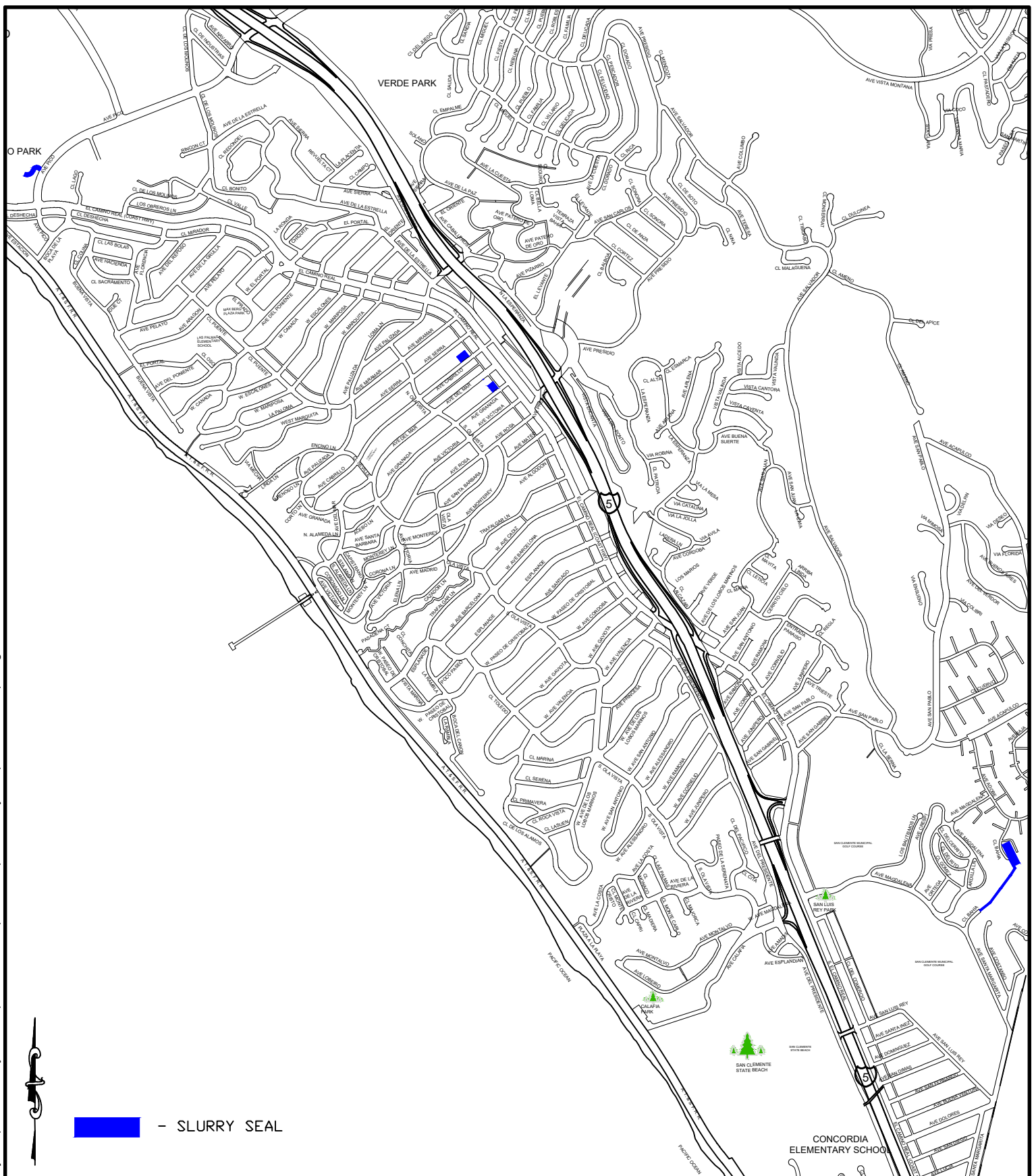


**CITY OF SAN CLEMENTE**  
 910 CL Negocio, Suite 100  
 San CLEMENTE, CA 92673  
 Tel (949) 361-6100  
 Fax (949) 361-8316

**LOCATION MAP**

FY 2024 STREET IMPROVEMENT PROGRAM  
 Project No. 14337

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**CITY OF SAN CLEMENTE**  
 910 CL Negocio, Suite 100  
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 Fax (949) 361-8316

**LOCATION MAP**  
 FY 2024 STREET IMPROVEMENT PROGRAM  
 Project No. 14337



**BIDDER'S LISTING**

BID OPEN TIME: 2:00 PM

BID OPEN DATE: 6-22-2023

PRESENT: ELECTRONIC BID  
MH

**Subject:**

Bid Opening: FY 2024 Street Improvement Program (Project No. 14337)

No. of Bids: 5

Company Information	Bid Bond	City Bidder is From	1# Addendums <b>NO ADDENDUM</b>		Amount
Roy Allan Slurry Seal, Inc.	YES	Santa Fe Springs, CA			\$2,754,071.62
R.J. Noble Company	YES	Orange, CA			\$3,443,958.10
All American Asphalt	YES	Corona, CA			\$3,533,335.30
PALP, Inc.	YES	Long Beach, CA			\$3,552,762.00
Hardy & Harper, Inc.	YES	Lake Forest, CA			\$4,550,000.00

**SECTION 00500**

**CONSTRUCTION CONTRACT FOR FY 2024 STREET IMPROVEMENT PROGRAM, PROJECT NO. 14337**

THIS CONSTRUCTION CONTRACT FY 2024 STREET IMPROVEMENT PROGRAM, PROJECT NO. 14337 ("Contract") is made this \_\_\_\_\_ day of \_\_\_\_\_, 2023, in the County of Orange, State of California, by and between the City of San Clemente hereinafter called City, and Roy Allan Slurry Seal, Inc., a California corporation, with its principal place of business at 12643 Emmens Way, Santa Fe Springs, CA 90670, hereinafter called Contractor. City and the Contractor for the considerations stated herein agree as follows:

**ARTICLE 1. SCOPE OF WORK.** The Contractor shall perform all Work within the time stipulated the contract and shall provide all labor, materials, equipment, tools, utility services, and transportation to complete all of the Work required in strict compliance with the Contract Documents as specified in Article 5 below for the following Project:

FY 2024 STREET IMPROVEMENT PROGRAM, Project No. 14337

The Contractor and its surety shall be liable to City for any damages arising as a result of the Contractor's failure to comply with this obligation.

**ARTICLE 2. TIME FOR COMPLETION.** The Work shall be commenced on the date stated in City's Notice to Proceed. The Contractor shall complete all Work required by the Contract Documents within 100 working days from the commencement date stated in the Notice to Proceed. By its signature hereunder, Contractor agrees the time for completion set forth above is adequate and reasonable to complete the Work.

**ARTICLE 3. CONTRACT PRICE.** City shall pay to the Contractor as full compensation for the performance of the Contract, subject to any additions or deductions as provided in the Contract Documents, and including all applicable taxes and costs, a sum not to exceed Two Million Seven Hundred Fifty-four Thousand Seventy-two Dollars (\$2,754,072) based on the actual work performed. Payment shall be made as set forth in the General Conditions.

At any time during the term of the Contract, City may, pursuant to the terms and provisions of the Contract Documents, request that the Contractor perform additional work. Contractor shall not perform, nor be compensated for, additional work without written authorization from the City pursuant to the terms and provisions of the Contract Documents. Approved additional work shall not exceed the 10% project contingency of \$275,407 without prior approval of the City Council.

**ARTICLE 4. LIQUIDATED DAMAGES/EARLY COMPLETION INCENTIVE. IN ACCORDANCE WITH GOVERNMENT CODE SECTION 53069.85, IT IS AGREED THAT THE CONTRACTOR WILL PAY CITY THE SUM OF \$500 FOR EACH AND EVERY CALENDAR DAY OF DELAY BEYOND THE TIME PRESCRIBED IN THE CONTRACT DOCUMENTS FOR FINISHING THE WORK, AS LIQUIDATED DAMAGES AND NOT AS A PENALTY OR FORFEITURE. IN THE EVENT THAT LIQUIDATED DAMAGES ARE NOT PAID, THE CONTRACTOR AGREES CITY MAY DEDUCT THAT AMOUNT FROM ANY MONEY DUE OR THAT MAY BECOME DUE THE CONTRACTOR UNDER THE CONTRACT. THIS ARTICLE**

**DOES NOT EXCLUDE RECOVERY OF OTHER DAMAGES SPECIFIED IN THE CONTRACT DOCUMENTS.**

**ARTICLE 5. COMPONENT PARTS OF THE CONTRACT.** The “Contract Documents” include the following:

- Notice Inviting Bids
- Instructions to Bidders
- Bid Form
- Contractor’s Certificate Regarding Workers’ Compensation
- Bid Bond
- Designation of Subcontractors
- Information Required of Bidders
- Non-Collusion Declaration form
- Iran Contracting Act Certification
- Public Works Contractor Registration Certification
- Contract
- Performance Bond
- Payment Bond
- General Conditions
- Special Conditions
- Technical Specifications
- Addenda
- Plans and Drawings
- Approved and fully executed change orders
- Any other documents contained in or incorporated into the Contract

The Contactor shall complete the Work in strict accordance with all of the Contract Documents.

All of the Contract Documents are intended to be complementary. Work required by one of the Contract Documents and not by others shall be done as if required by all. This Contract shall supersede any prior agreement of the parties.

**ARTICLE 6. PROVISIONS REQUIRED BY LAW.** Each and every provision of law required to be included in these Contract Documents shall be deemed to be included in these Contract Documents. The Contractor shall comply with all requirements of applicable federal, state and local laws, rules and regulations, including, but not limited to, the provisions of the California Labor Code and California Public Contract Code which are applicable to this Project.

**ARTICLE 7. INDEMNIFICATION.** Contractor shall provide indemnification as set forth in the General Conditions.

**ARTICLE 8. PREVAILING WAGES.** Contractor shall be required to pay the prevailing rate of wages in accordance with the Labor Code which such rates shall be made available at CITY CLERK, CITY OF SAN CLEMENTE or may be obtained online at <http://www.dir.ca.gov/dlsr>. and which must be posted at the job site.

**IN WITNESS WHEREOF**, this Contract has been duly executed by the above-named parties, on the day and year above written.

**CITY OF SAN CLEMENTE**

**ATTEST:**

\_\_\_\_\_  
CITY CLERK of the City of  
San Clemente, California

By: \_\_\_\_\_  
Andy Hall, City Manager

Dated: \_\_\_\_\_, 2023

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Elizabeth A Mitchell, City Attorney

**APPROVED AS TO AVAILABILITY  
OF FUNDING:**

\_\_\_\_\_  
Finance Authorization

Roy Allan Slurry Seal, Inc., a  
California corporation  
("CONTRACTOR")

By: \_\_\_\_\_  
Wyatt Lawrence Allan, Chief  
Executive Officer, Secretary, Chief  
Financial Officer

Dated: \_\_\_\_\_, 2023

**END OF CONTRACT**

**ATTACHMENT 4**

**SECTION 00610  
PERFORMANCE BOND**

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the City of San Clemente (hereinafter referred to as "City") has awarded to \_\_\_\_\_, (hereinafter referred to as the "Contractor") an agreement for FY 2024 STREET IMPROVEMENT PROGRAM, Project No. 14337

(hereinafter referred to as the "Project").

WHEREAS, the work to be performed by the Contractor is more particularly set forth in the Contract Documents for the Project dated \_\_\_\_\_, (hereinafter referred to as "Contract Documents"), the terms and conditions of which are expressly incorporated herein by reference; and

WHEREAS, the Contractor is required by said Contract Documents to perform the terms thereof and to furnish a bond for the faithful performance of said Contract Documents.

NOW, THEREFORE, we, \_\_\_\_\_, the \_\_\_\_\_ undersigned \_\_\_\_\_ Contractor and \_\_\_\_\_ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the City in the sum of \_\_\_\_\_

DOLLARS and \_\_\_\_\_ CENTS (\$ \_\_\_\_\_), said sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that, if the Contractor, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the Contract Documents and any alteration thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their intent and meaning; and shall faithfully fulfill all obligations including, if provided as part of the Contract Documents, the one-year guarantee of all materials and workmanship; and shall indemnify and save harmless the City, its officers and agents, as stipulated in said Contract Documents, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a condition precedent to the satisfactory completion of the Contract Documents, unless otherwise provided for in the Contract Documents, the guarantee obligation shall hold good for a period of one (1) year after the acceptance of the work by City, during which time if Contractor shall fail to make full, complete, and satisfactory repair and replacements and totally protect the City from loss or damage resulting from or caused by defective materials or faulty workmanship the above obligation in penal sum thereof shall remain in full force and effect. However, anything in this paragraph to the contrary notwithstanding, the obligations of Surety hereunder shall continue so long as any obligation of Contractor remains. Nothing herein shall limit the City's

SECTION 00610  
PERFORMANCE BOND

rights or the Contractor or Surety's obligations under the Contract Documents, law or equity, including, but not limited to, California Code of Civil Procedure section 337.15.

Whenever Contractor shall be, and is declared by the City to be, in default under the Contract Documents, the Surety shall remedy the default pursuant to the Contract Documents, or shall promptly, at the City's option:

- (1) Take over and complete the Project in accordance with all terms and conditions in the Contract Documents; or
- (2) Obtain a bid or bids for completing the Project in accordance with all terms and conditions in the Contract Documents and upon determination by Surety of the lowest responsive and responsible bidder, arrange for a contract between such bidder, the Surety and the City, and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the City under the Contract Documents and any modification thereto, less any amount previously paid by the City to the Contractor and any other set offs pursuant to the Contract Documents.
- (3) Permit the City to complete the Project in any manner consistent with California law and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the City under the Contract Documents and any modification thereto, less any amount previously paid by the City to the Contractor and any other set offs pursuant to the Contract Documents.

Surety expressly agrees that the City may reject any contractor or subcontractor which may be proposed by Surety in fulfillment of its obligations in the event of default by the Contractor.

Surety shall not utilize Contractor in completing the Project nor shall Surety accept a bid from Contractor for completion of the Project if the City, when declaring the Contractor in default, notifies Surety of the City's objection to Contractor's further participation in the completion of the Project.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project to be performed thereunder shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project and the provisions of Section 2819 and 2845 of the California Civil Code. Without limiting the foregoing, such changes, extensions of time and alterations or additions shall include, but are not limited to, changes or alterations to the Contract Documents (including, without limitation, an increase in the total dollar amount of the Contract Documents), extensions of time, or modifications of the time, terms, or conditions of payment to the Contractor.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

SECTION 00610  
PERFORMANCE BOND

CONTRACTOR/PRINCIPAL  
(Corporate Seal of Contractor/  
Principal, if a Corporation)

\_\_\_\_\_  
Name of Contractor/Principal (Type or Print)

By: \_\_\_\_\_  
Name (Signature)

\_\_\_\_\_  
Name (Type or Print)

\_\_\_\_\_  
Title (Type or Print)

SURETY  
(Seal of Surety)

\_\_\_\_\_  
Name of Surety (Type or Print)

By: \_\_\_\_\_  
Attorney-In-Fact

*Signatures of those signing for the Contractor and Surety must be notarized and evidence of corporate authority attached.*

The rate of premium on this bond is \_\_\_\_\_ per thousand. The total amount of premium charges, \$\_\_\_\_\_.

(The above must be filled in by corporate attorney.)

**THIS IS A REQUIRED FORM**

Any claims under this bond may be addressed to:

(Name and Address of Surety)

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

(Name and Address of Agent or Representative for service of process in California, if different from above)

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

(Telephone number of Surety and Agent or Representative for service of process in California)

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

SECTION 00610  
PERFORMANCE BOND

## Notary Acknowledgment

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA  
COUNTY OF \_\_\_\_\_

On \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory

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

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

WITNESS my hand and official seal.

Signature of Notary Public

### OPTIONAL

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

#### CAPACITY CLAIMED BY SIGNER

#### DESCRIPTION OF ATTACHED DOCUMENT

- Individual  
 Corporate Officer

\_\_\_\_\_  
Title(s)

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

- Partner(s)       Limited  
                                  General

\_\_\_\_\_  
Number of Pages

- Attorney-In-Fact  
 Trustee(s)  
 Guardian/Conservator  
 Other:

\_\_\_\_\_  
Date of Document

Signer is representing:  
Name Of Person(s) Or Entity(ies)

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

NOTE: A copy of the Power-of-Attorney to local representatives of the bonding company must be attached hereto.

**END OF PERFORMANCE BOND FORM**



SECTION 00620  
PAYMENT BOND

**SECTION 00620  
PAYMENT BOND**

KNOW ALL MEN BY THESE PRESENTS That

WHEREAS, the City of San Clemente (hereinafter designated as the "City"), by action taken or a resolution passed \_\_\_\_\_, 20\_\_\_\_ has awarded to \_\_\_\_\_ hereinafter designated as the "Principal," a contract for the work described as follows: FY 2024 STREET IMPROVEMENT PROGRAM, Project No. 14337

(the "Project"); and

WHEREAS, the work to be performed by the Principal is more particularly set forth in the Contract Documents for the Project dated \_\_\_\_\_, (hereinafter referred to as "Contract Documents"), the terms and conditions of which are expressly incorporated herein by reference; and

WHEREAS, said Principal is required to furnish a bond in connection with said Contract Documents; providing that if said Principal or any of its Subcontractors shall fail to pay for any materials, provisions, provender, 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 Code or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of said Principal and its Subcontractors with respect to such work or labor, the Surety on this bond will pay for the same to the extent hereinafter set forth.

NOW THEREFORE, we, the Principal and \_\_\_\_\_ as Surety, are held and firmly bound unto the City in the penal sum of \_\_\_\_\_ DOLLARS and \_\_\_\_\_ CENTS (\$\_\_\_\_\_) lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if said Principal, his or its subcontractors, heirs, executors, administrators, successors or assigns, shall fail to pay any of the persons named in Section 9100 of the Civil Code, fail to pay for any materials, provisions or other supplies, used in, upon, for or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, or amounts due under the Unemployment Insurance Code with respect to work or labor performed under the Contract Documents, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department or Franchise Tax Board from the wages of employees of the contractor and his subcontractors pursuant to Section 18663 of the Revenue and Taxation Code, with respect to such work and labor the Surety or Sureties will pay for the same, in an amount not exceeding the sum herein above specified, and also, in case suit is brought upon this bond, all litigation expenses incurred by the City in such suit, including reasonable attorneys' fees, court costs, expert witness fees and investigation expenses.

This bond shall inure to the benefit of any of the persons named in Section 9100 of the Civil Code so as to give a right of action to such persons or their assigns in any suit brought upon this bond.

SECTION 00620  
PAYMENT BOND

It is further stipulated and agreed that the Surety on this bond shall not be exonerated or released from the obligation of this bond by any change, extension of time for performance, addition, alteration or modification in, to, or of any contract (including the Contract Documents), plans, specifications, or agreement pertaining or relating to any scheme or work of improvement herein above described, or pertaining or relating to the furnishing of labor, materials, or equipment therefore, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to any scheme or work of improvement herein above described, nor by any rescission or attempted rescission or attempted rescission of the Contract Documents, agreement or bond, nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants otherwise entitled to recover under any such contract or agreement or under the bond, nor by any fraud practiced by any person other than the claimant seeking to recover on the bond and that this bond be construed most strongly against the Surety and in favor of all persons for whose benefit such bond is given, and under no circumstances shall Surety be released from liability to those for whose benefit such bond has been given, by reason of any breach of contract between the owner or City and original contractor or on the part of any obligee named in such bond, but the sole conditions of recovery shall be that claimant is a person described in Section 9100 of the Civil Code, and has not been paid the full amount of his claim and that Surety does hereby waive notice of any such change, extension of time, addition, alteration or modification herein mentioned.

Notwithstanding any other provision of this bond, it is expressly understood, acknowledged and agreed that it shall provide all of the protections required by California Civil Code Sections 9550 through 9566, including the specific coverage protections required by Section 9554.

**REMAINDER OF PAGE LEFT INTENTIONALLY BLANK**

**SIGNATURES ON FOLLOWING PAGE**

SECTION 00620  
PAYMENT BOND

IN WITNESS WHEREOF, two (2) identical counterparts of this instrument, each of which shall for all purposes be deemed an original thereof, have been duly executed by the Principal and Surety above named, on the \_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative pursuant to authority of its governing body.

CONTRACTOR/PRINCIPAL  
(Corporate Seal of Contractor/  
Principal, if a Corporation)

\_\_\_\_\_  
Name of Contractor/Principal (Type or Print)

By: \_\_\_\_\_  
Name (Signature)

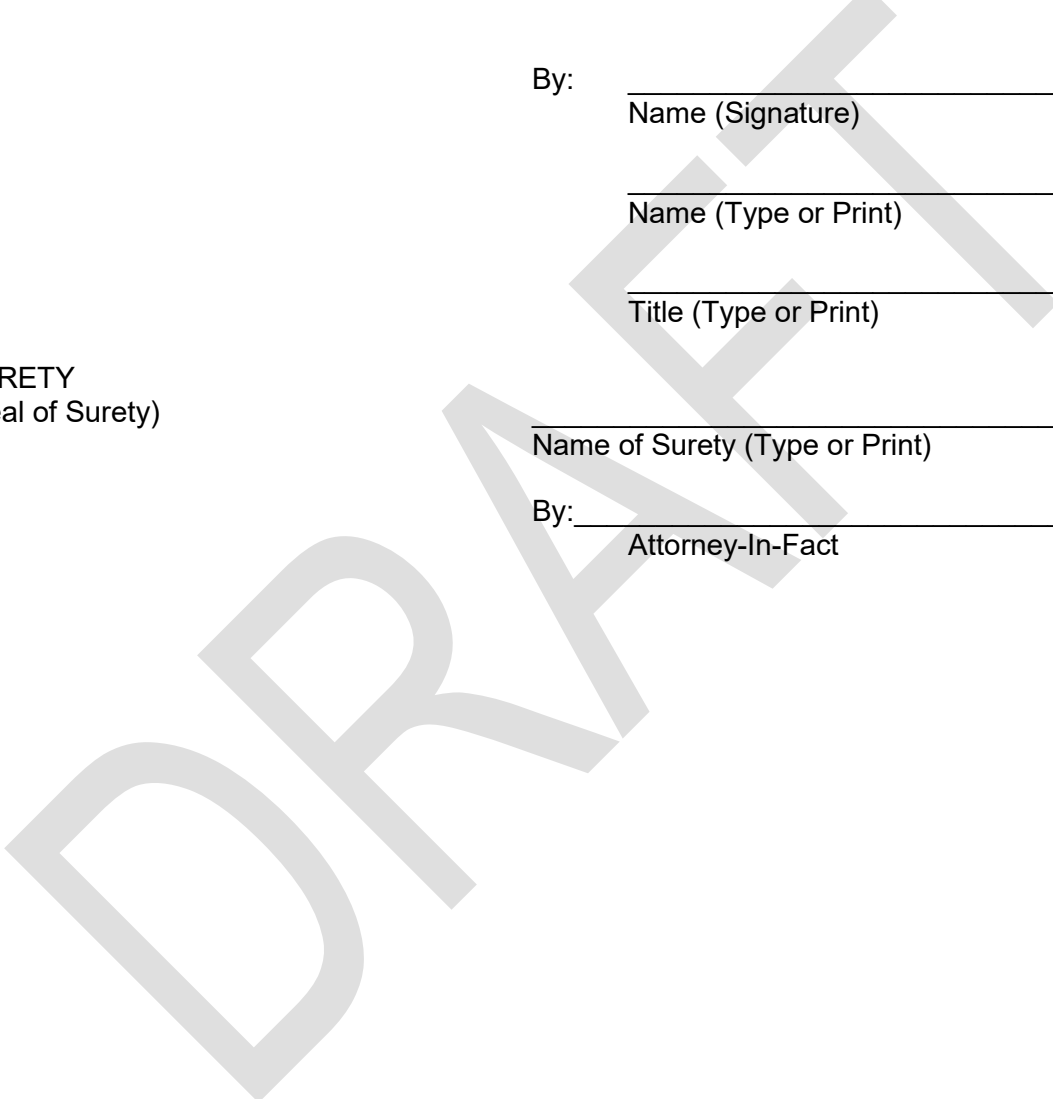
\_\_\_\_\_  
Name (Type or Print)

\_\_\_\_\_  
Title (Type or Print)

SURETY  
(Seal of Surety)

\_\_\_\_\_  
Name of Surety (Type or Print)

By: \_\_\_\_\_  
Attorney-In-Fact



## Notary Acknowledgment

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA  
COUNTY OF \_\_\_\_\_

On \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory

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

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

WITNESS my hand and official seal.

Signature of Notary Public

### OPTIONAL

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

#### CAPACITY CLAIMED BY SIGNER

#### DESCRIPTION OF ATTACHED DOCUMENT

- Individual
- Corporate Officer

\_\_\_\_\_  
Title(s)

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

- Partner(s)  Limited
- General

\_\_\_\_\_  
Number of Pages

- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other:

\_\_\_\_\_  
Date of Document

Signer is representing:  
Name Of Person(s) Or Entity(ies)

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

NOTE: A copy of the Power-of-Attorney to local representatives of the bonding company must be attached hereto.

**END OF PAYMENT BOND FORM**

SECTION 00620  
PAYMENT BOND

DRAFT