



City of Carson Report to Redevelopment Agency

May 9, 2011
New Business Consent

SUBJECT: CONSIDERATION TO ACCEPT AS COMPLETE PROJECT NO. 1240: ANNUAL CONCRETE MAINTENANCE REPLACEMENT PROGRAM, VARIOUS LOCATIONS

Submitted by M. Victor Rollinger
Development Services General Manager

Approved by Clifford W. Graves
Interim Executive Director

THIS IS A JOINT AGENDA ITEM

I. SUMMARY

Project No. 1240 [Federal CDBG-R No. B-09-MS-06-0514]: Annual Concrete Maintenance Replacement Program, Various Locations (Exhibit Nos. 1 and 2) has been completed in accordance with approved plans and specifications.

It is requested that the Agency Board accept the work as complete and authorize staff to file the Notice of Completion.

II. RECOMMENDATION

TAKE the following actions:

1. ACCEPT as complete Project No. 1240 [Federal CDBG-R No. B-09-MS-06-0514]: Annual Concrete Maintenance Replacement Program, Various Locations.
2. APPROVE a Mutual Release and Settlement Agreement between the City of Carson / Carson Redevelopment Agency and American Contractors Indemnity Company, the bonding company for Project No. 1240 [Federal CDBG-R No. B-09-MS-06-0514]: Annual Concrete Maintenance Replacement Program, Various Locations.
3. AUTHORIZE payment to American Contractors Indemnity Company, the bonding company for Project No. 1240 [Federal CDBG-R No. B-09-MS-06-0514]: Annual Concrete Maintenance Replacement Program, Various Locations, in the amount of \$82,509.07.
4. AUTHORIZE staff to file a Notice of Completion.

III. ALTERNATIVES

1. DO NOT ACCEPT the project as complete. However, Civil Code Section 3093 requires a Notice of Completion to be filed for record within 10 days, upon the completion and settlement of all public works project claims, if any.
2. TAKE another action the Agency Board deems appropriate.

IV. BACKGROUND

The annual concrete maintenance replacement program is listed in the city's Capital Improvement Program (CIP) for FY 2009/10 under Project No. 1240.

The concrete maintenance replacement program calls for the repair of damaged sidewalks, driveway approaches, cross gutters, curbs and gutters, access ramps and tree removal. Staff completed a survey of the city to identify street locations that require repair to restore concrete improvements to city standards and Americans with Disabilities Act (ADA) requirements. In addition, community service requests were inspected, evaluated against city standards and, as appropriate, included in this project.

The project focuses on one city area or zone for its annual program, in order to obtain lower unit pricing. Additionally, this project was combined with the Community Development Block Grant Recovery (CDBG-R) project to further enhance the economy of scale.

The U.S. Department of Housing and Urban Development (HUD) and the Housing and Neighborhood Development Division of the Economic Development Work Group administer the CDBG-R. The HUD requires the recipients of the CDBG-R funds to prepare Substantial Amendments to their Program Year 2008 - 2009 Annual Action Plans and obtain approval from HUD.

The city has met the HUD requirements for amending the Program Year 2008 - 2009 Annual Action Plans and HUD has indicated that the City of Carson is eligible to receive as much as \$295,080.00 in a supplemental allocation of CDBG-R funds authorized under the American Recovery and Reinvestment Act of 2009 (ARRA) (Exhibit No. 3).

For this project, staff concentrated on the CDBG-R area within zone 4, which has the highest need. This was done in order to prevent additional deterioration of existing Portland Cement concrete and asphalt concrete improvements.

The attached Location List identifies the street names, addresses and limits of the concrete replacement program areas.

On October 6, 2009, the City Council / Redevelopment Agency Board approved the plans, specifications and estimates (PS&E), ordered the work and authorized

the staff to advertise the work and call for bids for Project No. 1240: Annual Concrete Maintenance Replacement Program, Various Locations (Exhibit No. 4).

On December 1, 2009, the City Council / Redevelopment Agency Board awarded a construction contract for Project No. 1240 in the amount of \$555,359.00, to the lowest responsible bidder, Pivot Group, Inc. (Exhibit No. 5).

In September 2010, the City Council / Redevelopment Agency Board received notification that six of the subcontractors subcontracted by Pivot Group, Inc. had not received their payments and they had filed Stop Notices in addition to State of California, Department of Industrial Relations (DIR) claims for wages due and penalties. Several attempts were made by staff to re-enforce the contractor's obligations to settle all subcontractors and suppliers claims. Subsequently, the subcontractors and DIR obtained bonding company information from American Contractors Indemnity Company, and filed claims against the contractor.

On April 5, 2011, the Engineering Services Division received a settlement agreement from American Contractors Indemnity Company indicating that payments were made to six subcontractors and DIR, and requested that the city pay any available funds due to the contractor for this project to American Contractors Indemnity Company (Exhibit No. 6).

The available funds in the amount of \$82,509.07 due the contractor are a combination of the project retention (10%) and funds for actual work performed by the contractor that were held by the City Council / Redevelopment Agency Board due to the Stop Notices. The City Council / Redevelopment Agency Board is indemnified from future payments to subcontractors based on California Civil Code Section 3186 and Section 3210.

V. FISCAL IMPACT

The total construction cost of this improvement project is \$549,398.86. Funds, in the amount of \$600,000.00 for this project were included in the FY 2009/10 CDBG-R fund, Proposition 1B-LSR and Gas Tax funds.

The distribution of the approved contract amount and actual expenditure for this project is as follows:

Description	Approved Contract Amount	Actual Expenditure
Pivot Group, Inc: construction contract	\$535,359.00	\$535,359.00
Pivot Group, Inc.: contingency for change orders, additional re-measured quantities and extra work	44,641.00	9,709.35
Work completed by the city work force	n/a	3,027.18
Material Testing Service Agreement	n/a	0.00
Advertising	n/a	1,303.33
PLA monitoring service agreement. The contractor is a member of the Construction Labor Union of Southern California	n/a	0.00
TOTAL CONTRACT COST	\$600,000.00	\$549,398.86

The project cost summary is shown below:

Fund Source	Account No.	Allocated Amount	Actual Expenditure
Proposition 1B-LSR fund	66-80-999-004-8020/0124001	\$269,126.00	\$256,318.86
CDBG-R fund	15-70-501-004-8020/0124001	295,080.00	295,080.00
Gas Tax fund	12-80-999-004-8020/0124001	35,794.00	0.00
Total Cost		\$600,000.00	\$549,398.86
Staff Costs		n/a	71,784.32
TOTAL PROJECT COST			\$621,183.18

VI. EXHIBITS


1. Location Map. (pg. 6)
2. Location List. (pgs. 7-16)
3. CDBG-R information. (pgs. 17-23)
4. Minutes, October 6, 2009, Item No. 5. (pg. 24)
5. Minutes, December 1, 2009, Item No. 5. (pg. 25)

6. Settlement agreement from American Contractors Indemnity Company.
(pgs. 26-49)

Prepared by: Rick Boutros, P.E., Associate Civil Engineer

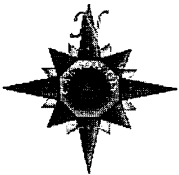
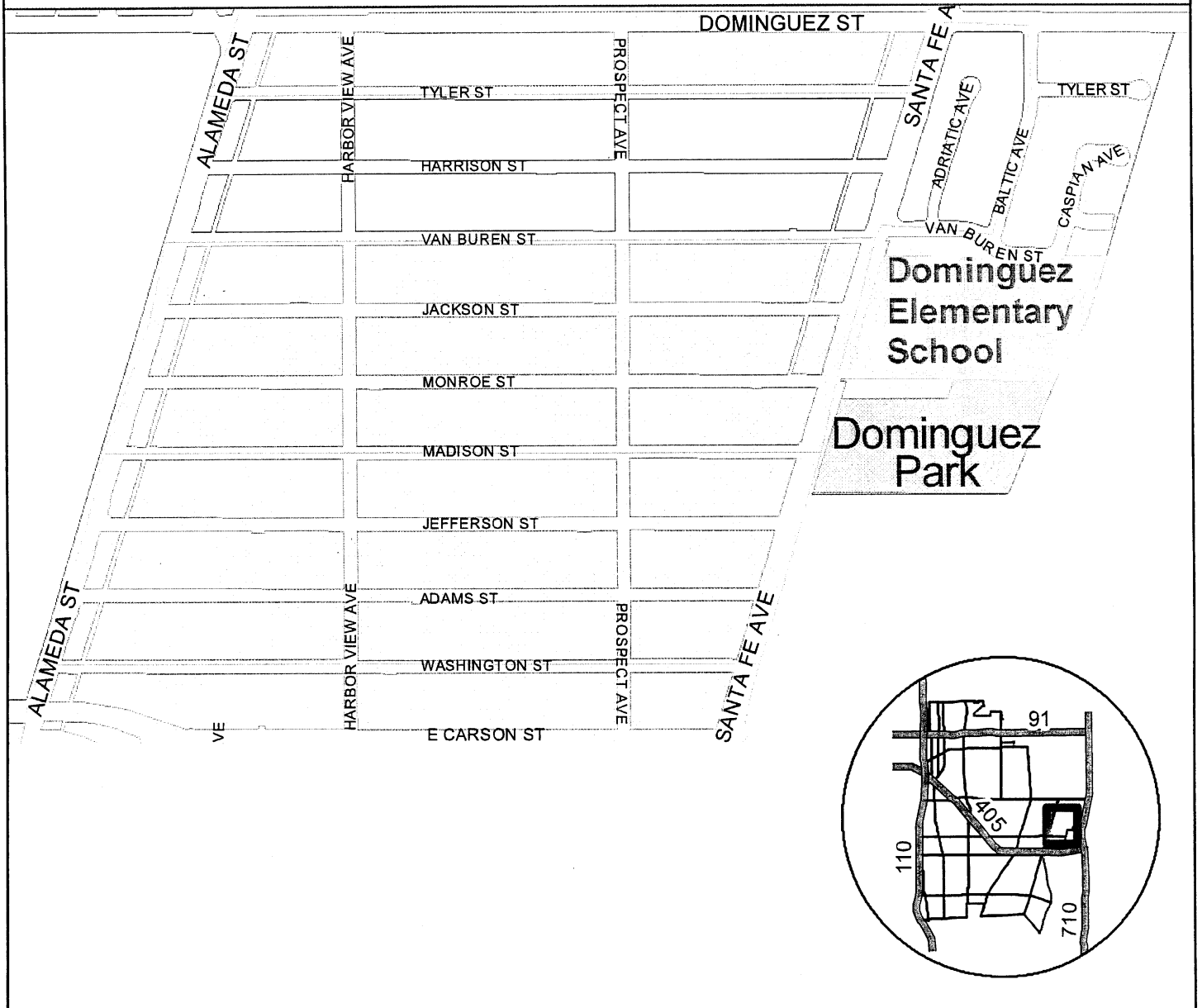
TO: Rev032811

Reviewed by:

City Clerk	<u>City Treasurer</u>
<u>Administrative Services</u> 	<u>Development Services</u>
<u>Economic Development Services</u>	<u>Public Services</u>

Action taken by Redevelopment Agency

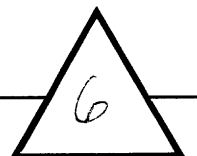
Date _____ Action _____



Location Map
Project No. 1240
Annual Concrete Maintenance Replacement Program

 Block Grant Area (CDBG)

EXHIBIT NO. 1



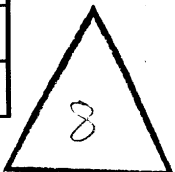
**Annual Concrete Maintenance Replacement Program,
Project No. 1240- FY 2009/10**

	ADDRESS			CURB & GUTTER (L.F.)	SIDEWALK (S.F.)	DWY APR. (S.F.)	ACCESS RAMP (EA)	CROSS GUTTER (S.F.)	TREE REMOVAL (EA)
	ST. No. FROM	ST. No. TO	Street Name	CONCRETE RELATED QUANTITIES					
1	2514		E.DOMINGUEZ ST.		0.00				
2	2520		E.DOMINGUEZ ST.	0.00					0
3	2614	2616	E.DOMINGUEZ ST.	0.00					
4	2618		E.DOMINGUEZ ST.	0.00					
5	2630		E.DOMINGUEZ ST.	0.00		0.00			
6	Inter. DOMINGUEZ and HARBOR ST.						2		
7	2710		E.DOMINGUEZ ST.	0.00					
8	2764		E.DOMINGUEZ ST.	0.00		0.00			
10	2768		E.DOMINGUEZ ST.	0.00		0.00			
11	Inter. DOMINGUEZ and PROSPECT						0		
12	Inter. DOMINGUEZ and SANTA FE						0		
13	2824		E.DOMINGUEZ ST.	0.00					
14	2838		E.DOMINGUEZ ST.		0.00				
15	2844	2850	E.DOMINGUEZ ST.	0.00					
16									
17	2672		E.TYLER ST.	80.00					
18	2662		E.TYLER ST.	80.00					
19	2642		E.TYLER ST.	80.00		100.00			
20	2618		E.TYLER ST.	80.00					1
21	2604	2612	E.TYLER ST.	80.00					2
20	Inter. E.TAYLER and HARBOR						4	600.00	
21	2510		E.TYLER ST.		27.00				1
22	2646		E.TYLER ST.		58.00				1
23	2517		E.TYLER ST.	80.00					
24	2521		E.TYLER ST.	24.00		100.00			
25	2533		E.TYLER ST.	24.00					
26	2609		E.TYLER ST.	24.00		100.00			

7

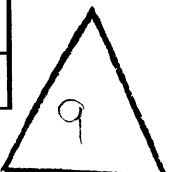
**Annual Concrete Maintenance Replacement Program,
Project No. 1240- FY 2009/10**

	ADDRESS			CURB & GUTTER (L.F.)	SIDEWALK (S.F.)	DWY APR. (S.F.)	ACCESS RAMP (EA)	CROSS GUTTER (S.F.)	TREE REMOVAL (EA)
	ST. No. FROM	ST. No. TO	Street Name	CONCRETE RELATED QUANTITIES					
27	2615		E.TYLER ST.	24.00		100.00			
28	2617		E.TYLER ST.	24.00		100.00			
29	2627		E.TYLER ST.						1
30	2639		E.TYLER ST.	80.00		200.00			
31	2649		E.TYLER ST.	40.00		100.00			
32	2653		E.TYLER ST.	24.00		300.00			1
33	Inter TAYLER and PRPSPECT./E						4	300.00	
34	2707		E.TYLER ST.	80.00					1
35	2715		E.TYLER ST.	40.00		100.00			
36	2725		E.TYLER ST.	24.00					
37	2741	2745	E.TYLER ST.	80.00		200.00			2
38	Inter. TAYLER and SANTAFEH						2		
39									
40	2511		VAN BUREN ST.					150.00	
41	2527		VAN BUREN ST.	80.00					
42	Inter VAN BUREN and HARBOR E						2	300.00	
43	2605		VAN BUREN ST.	40.00					1
44	2617		VAN BUREN ST.	24.00		100.00			
45	2625		VAN BUREN ST.	24.00		100.00			
46	2633		VAN BUREN ST.	24.00		100.00			
47	2667		VAN BUREN ST.						1
48	2669		VAN BUREN ST.	80.00		100.00			
49	2673		VAN BUREN ST.	24.00		100.00			
50	Inter VAN BUREN and PROSPECT						4	600.00	
51	2701		VAN BUREN ST.	24.00					1
52	2709		VAN BUREN ST.	24.00		100.00			
53	2715		VAN BUREN ST.	24.00		100.00			



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	ADDRESS			CURB & GUTTER (L.F.)	SIDEWALK (S.F.)	DWY APR. (S.F.)	ACCESS RAMP (EA)	CROSS GUTTER (S.F.)	TREE REMOVAL (EA)
	ST. No. FROM	ST. No. TO	Street Name	CONCRETE RELATED QUANTITIES					
54	2717		VAN BUREN ST.	40.00	58.00				1
55	2729		VAN BUREN ST.	24.00					
56	2745		VAN BUREN ST.	80.00					1
57	Inter VAN BUREN and SANTA FE						2		
58	2748		VAN BUREN ST.	40.00					2
59	2730		VAN BUREN ST.	24.00		100.00			
60	2108		VAN BUREN ST.	24.00		100.00			
61	2648		VAN BUREN ST.	24.00		100.00			
62	2638		VAN BUREN ST.	24.00		100.00			
63	2612		VAN BUREN ST.	24.00		100.00			
64	2510		VAN BUREN ST.	24.00					
65									
66	2535		JACKSON ST.	24.00		100.00			
67	Inter. JACKSON ST. and HARBOR						4	300.00	
68	2669		JACKSON ST.	80.00					2
69	Inter. JACKSON ST. & PROSPECT / E						3	300.00	
70	2773		JACKSON ST.						1
71	2717		JACKSON ST.	24.00					
72	2731		JACKSON ST.	80.00					
73	2735		JACKSON ST.	80.00					
74	2739		JACKSON ST.	24.00		100.00			
75	2749		JACKSON ST.	24.00					
76	Inter. JACKSON ST. and SANTA FE				58.00		2		
77	2736		JACKSON ST.	24.00		100.00			
78	2732		JACKSON ST.	80.00		100.00			
79	2710		JACKSON ST.	24.00		100.00			
80	2660		JACKSON ST.	80.00		100.00			1



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Project No. 1240- FY 2009/10**

	ADDRESS			CURB & GUTTER (L.F.)	SIDEWALK (S.F.)	DWY APR. (S.F.)	ACCESS RAMP (EA)	CROSS GUTTER (S.F.)	TREE REMOVAL (EA)
	ST. No. FROM	ST. No. TO	Street Name	CONCRETE RELATED QUANTITIES					
81	2656		JACKSON ST.	80.00					
82	2654		JACKSON ST.	80.00					1
83	2632		JACKSON ST.	40.00					
84	2606		JACKSON ST.	24.00		100.00			
85	2656		JACKSON ST.	80.00					1
86	2550		JACKSON ST.	24.00		100.00			
87	2538		JACKSON ST.	40.00		150.00			
88									
89	2521		MONROE ST.	40.00		150.00			
90	2545		MONROE ST.	40.00					
91	Inter. MONROE ST. and HARBOR						2		
92	2601		MONROE ST.	40.00					
93	2617		MONROE ST.	80.00		100.00			
94	2657		MONROE ST.		58.00				
95	2661		MONROE ST.	24.00		100.00			
96	2705		MONROE ST.	40.00		100.00			
97	2711		MONROE ST.	40.00		100.00			
98	Inter. MONROE ST. and SANTA FE						2		
99	2748		MONROE ST.	24.00		100.00			
100	2666		MONROE ST.	40.00		100.00			
101	2642		MONROE ST.	80.00					
102	2548		MONROE ST.	40.00					1
103	2532		MONROE ST.	40.00		100.00			2
104	2528		MONROE ST.		58.00				1
105	2518		MONROE ST.	40.00		150.00			
106									
107	2561		MADISON ST.	40.00		100.00			



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Project No. 1240- FY 2009/10**

	ADDRESS			CURB & GUTTER (L.F.)	SIDEWALK (S.F.)	DWY APR. (S.F.)	ACCESS RAMP (EA)	CROSS GUTTER (S.F.)	TREE REMOVAL (EA)
	ST. No. FROM	ST. No. TO	Street Name	CONCRETE RELATED QUANTITIES					
108	2605		MADISON ST.	40.00					
109	2617		MADISON ST.	40.00		100.00			1
110	2621		MADISON ST.	24.00		100.00			
111	2653		MADISON ST.	24.00		100.00			
112	2655		MADISON ST.	24.00		100.00			
113	2661	2667	MADISON ST.	80.00					
114	2103		MADISON ST.		64.00				
115	2727		MADISON ST.	24.00					1
116	Inter. MADISON and SANTA FE						2		
117	2741		MADISON ST.	40.00					
118	2612		MADISON ST.	80.00					
119	2606		MADISON ST.	80.00					
120									
121	2722	2716	JEFFERSON ST.	120.00		300.00			
122	2650		JEFFERSON ST.	40.00					1
123	2642	2630	JEFFERSON ST.	160.00					
124	2624	2618	JEFFERSON ST.	80.00					
125	Inter JEFFERSON ST. and HARBOR						4		
126	2548		JEFFERSON ST.	120.00		100.00			1
127	2532		JEFFERSON ST.	24.00		100.00			
128	2515		JEFFERSON ST.					200.00	
129	2527		JEFFERSON ST.	40.00					
130	2529	2537	JEFFERSON ST.	120.00					
131	2559		JEFFERSON ST.	56.00					
132	2601	2609	JEFFERSON ST.	80.00					
133	2621		JEFFERSON ST.	80.00		100.00			1
134	2629	2633	JEFFERSON ST.	120.00		100.00			1



**Annual Concrete Maintenance Replacement Program,
Project No. 1240- FY 2009/10**

	ADDRESS			CURB & GUTTER (L.F.)	SIDEWALK (S.F.)	DWY APR. (S.F.)	ACCESS RAMP (EA)	CROSS GUTTER (S.F.)	TREE REMOVAL (EA)
	ST. No. FROM	ST. No. TO	Street Name	CONCRETE RELATED QUANTITIES					
135	2665		JEFFERSON ST.	80.00					1
136	2677		JEFFERSON ST.	24.00					
137	2701		JEFFERSON ST.	56.00					1
138	2721		JEFFERSON ST.	24.00		100.00			
139	2727		JEFFERSON ST.	24.00		100.00			
140	2731		JEFFERSON ST.	56.00		100.00			2
141	Inter JEFFERSON ST. and SANTA FE						2		
142									
143	2722		ADAMS ST.	24.00		100.00			
144	2702		ADAMS ST.	40.00					1
145	Inter. ADAMS and SANTA FE						2		
146	Inter. ADAMS and PROSPECT							300.00	
147	2688		ADAMS ST.	24.00					
148	2660	2666	ADAMS ST.	80.00		100.00			
149	2646	2650	ADAMS ST.	80.00					1
150	2636		ADAMS ST.	40.00		100.00			1
151	2632		ADAMS ST.	40.00					1
152	2612	2604	ADAMS ST.	120.00					
153	2600		ADAMS ST.	40.00					
154	2578		ADAMS ST.	24.00		100.00			
155	2570		ADAMS ST.	24.00		100.00			
156	2558	2566	ADAMS ST.	120.00		300.00			
157	2540		ADAMS ST.	56.00					
158	2536		ADAMS ST.	40.00		100.00			1
159	2528	2532	ADAMS ST.	80.00		200.00			
160	2512		ADAMS ST.	80.00				200.00	1
161	2517		ADAMS ST.					200.00	

12

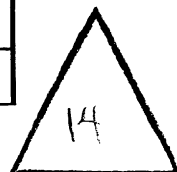
**Annual Concrete Maintenance Replacement Program,
Project No. 1240- FY 2009/10**

	ADDRESS			CURB & GUTTER (L.F.)	SIDEWALK (S.F.)	DWY APR. (S.F.)	ACCESS RAMP (EA)	CROSS GUTTER (S.F.)	TREE REMOVAL (EA)
	ST. No. FROM	ST. No. TO	Street Name	CONCRETE RELATED QUANTITIES					
162	2525		ADAMS ST.	80.00					1
163	2535		ADAMS ST.	40.00		100.00			1
164	2565		ADAMS ST.	40.00					
165	2571		ADAMS ST.		58.00				
166	2605		ADAMS ST.	24.00					1
167	2615		ADAMS ST.	24.00		100.00			1
168	2621		ADAMS ST.	24.00					
169	2629		ADAMS ST.	40.00					
170	2663		ADAMS ST.	24.00		100.00			
171	2677		ADAMS ST.	24.00		100.00			
172	2701		ADAMS ST.	24.00					
173	2705		ADAMS ST.	24.00					
174	2725		ADAMS ST.	24.00		100.00			1
175									
176	2728		WASHIGTON ST.	24.00	28.00				
177	2708		WASHIGTON ST.	24.00	58.00				1
178	Inter WASHINGTON and SANTA FE						2		
179	Inter WASHINGTON and PROSPECT						4	300.00	
180	2676		WASHIGTON ST.	24.00		100.00			
181	2665		WASHIGTON ST.	56.00		100.00			1
182	2632		WASHIGTON ST.	24.00		100.00			
183	2626		WASHIGTON ST.	56.00					2
184	2584		WASHIGTON ST.	56.00					1
185	2572		WASHIGTON ST.	56.00		100.00			1
186	2564		WASHIGTON ST.	80.00		100.00			1
187	2528		WASHIGTON ST.	56.00	58.00				1
188	2578		WASHIGTON ST.	56.00		100.00			

13

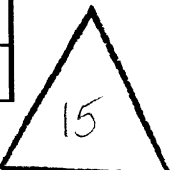
**Annual Concrete Maintenance Replacement Program,
Project No. 1240- FY 2009/10**

	ADDRESS			CURB & GUTTER (L.F.)	SIDEWALK (S.F.)	DWY APR. (S.F.)	ACCESS RAMP (EA)	CROSS GUTTER (S.F.)	TREE REMOVAL (EA)
	ST. No. FROM	ST. No. TO	Street Name	CONCRETE RELATED QUANTITIES					
189	2510		WASHIGTON ST.		32.00				
190	2529		WASHIGTON ST.	56.00		100.00			2
191	2539		WASHIGTON ST.	24.00		100.00			
192	2561		WASHIGTON ST.	24.00					1
193	2513		WASHIGTON ST.	56.00		100.00			1
194	2587		WASHIGTON ST.	40.00					1
195	2605		WASHIGTON ST.	56.00					1
196	2615		WASHIGTON ST.	24.00		100.00			1
197	2639		WASHIGTON ST.	24.00					1
198	2707		WASHIGTON ST.	40.00					1
199	2711		WASHIGTON ST.	56.00	58.00	100.00			1
200									
201	21503		PROSPECT AVE.	56.00					3
202	21315		PROSPECT AVE.	120.00	58.00	100.00			2
203	21270		PROSPECT AVE.	120.00					1
204	21214		PROSPECT AVE.	120.00					1
205	21166		PROSPECT AVE.	160.00	28.00	200.00			2
206	21108		PROSPECT AVE.	80.00					
207	SW of HARRISON and JACKSON				28.00				
208	21611		HARBOR VIEW AVE.	120.00					
209	Across from 21308 HARBOR VIEW AVE			200.00					
210	Across from 21159 HARBOR VIEW AVE			40.00	58.00				1
211	NW of WASHINGTON and HARBOR			40.00		150.00			
212									
213	2534		HARRISON ST.		28.00				1
214	2536		HARRISON ST.		58.00				
215	2601		HARRISON ST.	24.00					1



**Annual Concrete Maintenance Replacement Program,
Project No. 1240- FY 2009/10**

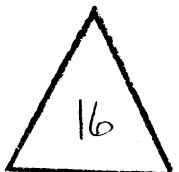
	ADDRESS			CURB & GUTTER (L.F.)	SIDEWALK (S.F.)	DWY APR. (S.F.)	ACCESS RAMP (EA)	CROSS GUTTER (S.F.)	TREE REMOVAL (EA)
	ST. No. FROM	ST. No. TO	Street Name	CONCRETE RELATED QUANTITIES					
216	2635		HARRISON ST.	24.00					1
217	2641		HARRISON ST.	40.00	64.00	100.00			1
218	Inter. HARRISON and PROSPECT						4	600.00	
219	2745		HARRISON ST.	24.00		100.00			
220	Inter. HARRISON and SANTA FE						2		
221	2770		HARRISON ST.	80.00		100.00			2
222	2708		HARRISON ST.	40.00		100.00			1
223	2668		HARRISON ST.	40.00					1
224	2640		HARRISON ST.	24.00		100.00			
225	2636		HARRISON ST.	40.00	58.00				1
226	2510		HARRISON ST.	24.00					1
227	2519		HARRISON ST.		28.00				1
228									
229	21112		ADRIATIC AVE.	8.00	58.00				
230	2830		VAN BUREN ST.		58.00				
231	2833		VAN BUREN ST.	40.00		100.00			
232	2802	2807	VAN BUREN ST.	80.00					
233	Inter. BATIC and VANBUREN						2		
234	21011		BALTIC AVE.	40.00					1
235	21110		BALTIC AVE.	40.00					1
236	21138		BALTIC AVE.	80.00					2
237	21011		BALTIC AVE.	80.00					
238	2850		TYLER ST.		58.00				1
239	2862		TYLER ST.	40.00		150.00			
240	2856		TYLER ST.	40.00					1
241	2834		TYLER ST.	24.00					1
242	2836		TYLER ST.		80.00				



**Annual Concrete Maintenance Replacement Program,
Project No. 1240- FY 2009/10**

	ADDRESS			CURB & GUTTER (L.F.)	SIDEWALK (S.F.)	DWY APR. (S.F.)	ACCESS RAMP (EA)	CROSS GUTTER (S.F.)	TREE REMOVAL (EA)
	ST. No. FROM	ST. No. TO	Street Name	CONCRETE RELATED QUANTITIES					
243	21241		SANTA FE AVE.	80.00					1
244	21149		SANTA FE AVE.		58.00				1
245	21009		SANTA FE AVE.	80.00					
246	SANTA FE VAN BUREN to DOMINGUEZ				450.00				
247	2728		SANTA FE AVE.	80.00	72.00				1
			TOTAL	6,055	7,640	6,450	73	6,244	63

Estimated U.P.	26.00	5.00	6.00	1,650	18.00	580.00
SUB-TOTAL	\$157,430	\$38,200	\$38,700	\$120,450	\$112,383	\$36,540
RE- MESURED Sub -Total						\$503,703
CHANGE ORDERS						\$41,872
TOTAL						\$545,575



AMERICAN RECOVERY & REINVESTMENT ACT OF 2009
U. S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT
City of Carson Proposed Substantial Amendment to
Program Year 2008-2009 Annual Action Plan
Community Development Block Grant Recovery (CDBG-R) Funding

General Information Regarding Jurisdiction Applying for Funding

Grantee Name: City of Carson, California

Name of Entity or Department
Administering Funds: Economic Development Work Group,
Housing & Neighborhood Development Division

ARRA/CDBG-R Contact Person: Keith Bennett
(person to answer questions about
this amendment and ARRA/
CDBG-R)

Title: CDBG/NSP Coordinator

Address: 1 Civic Plaza Drive, Suite 500
Carson, California 90745

Telephone: (310) 233-4862

Fax: (310) 233-4832

E-Mail Address: kbennett@carson.ca.us

Authorized Official:
(if different from Contact Person) Jerome G. Groomes

Title: City Manager

Address: 701 East Carson Street
Carson, California 90745

Telephone: (310) 952-1729, or
(310) 830-7600, ext. 1729

Fax: (310) 835-7261

E-Mail Address: igroomes@carson.ca.us

Web Address where this
Amendment is posted: <http://ci.carson.ca.us>

Amount Grantee is Eligible to
Receive: \$295,080

Amount Grantee is Requesting: \$295,080



Community Development Block Grant-Recovery (CDBG-R)—General Program Information

The U. S. Department of Housing & Urban Development (HUD) has indicated that the City of Carson is eligible to receive as much as \$295,080 in a supplemental allocation of Community Development Block Grant (CDBG) funds authorized under the American Recovery & Reinvestment Act of 2009 (commonly referred to by the acronym "ARRA", or by the term "Recovery Act") The CDBG funds authorized under ARRA have been given the designation "CDBG-R" (meaning Community Development Block Grant-Recovery) so as to distinguish them from the "regular" allocation of CDBG funds.

The process for eligible applicant jurisdictions to obtain these CDBG-R funds requires that those jurisdictions prepare Substantial Amendments to their Program Year 2008-2009 Annual Action Plans and submit these Substantial Amendments to HUD. This document, therefore, constitutes the City of Carson's Substantial Amendment to its Program Year 2008-2009 Annual Action Plan for the CDBG-R funds.

Program Administration

The Housing & Neighborhood Development Division of the Economic Development Work Group administers the CDBG program and related funds for the City of Carson. Consequently, the Housing & Neighborhood Development Division will administer all of the supplemental CDBG funds provided to the City of Carson under ARRA.

The Housing & Neighborhood Development Division plans to oversee and monitor the administration and use of CDBG-R funds in accordance with practices currently in place and approved by HUD for use in the CDBG program. These include, among others, affirmatively furthering fair housing, conducting required environmental reviews, complying with financial management requirements, and complying with all applicable Federal labor standards. In addition, the Housing & Neighborhood Development Division will follow local requirements as well as its own standard operating procedures. These include monitoring, recordkeeping, and reporting protocols. The City of Carson is monitored by HUD on a regular basis and maintains compliance with all Federal requirements.

Eligible Activities

The CDBG program enables local governments to undertake a wide range of activities intended to create suitable living environments, provide decent and affordable housing, and create economic opportunities, primarily for persons of low and moderate income. Though HUD has indicated that participating jurisdictions have the full range of CDBG-eligible activities to which to apply this CDBG-R funding, the clear intent of the United States Congress in enacting ARRA is to target Recovery Act appropriations to address current adverse economic conditions. Therefore, the focus of this Recovery Act supplemental funding, as emphasized in CDBG-R guidelines issues May 5, 2009, is on economic development, housing, public works, public facilities, and other infrastructure activities, particularly those that maximize job creation. The Recovery Act itself directs that priority be given to projects that can award contracts based on bids within 120 days from the date funds are made available.

CDBG-R money will be used to fund improvements in conjunction with other public and private initiatives. Specific activities will be determined as eligible based on guidance provided by HUD. Efforts will focus on infrastructure improvements, housing, and other activities eligible for funding that support broad neighborhood improvement strategies. Projects may include:

- Pedestrian safety improvements, such as lighting, streetscapes, way finding and/or gateway signage;
- Public safety initiatives involving crime prevention through environmental design; for example, landscaping improvements; and
- Single-family housing rehabilitation and other housing-related neighborhood preservation initiatives, such as multi-family rehabilitation, in coordination with other Recovery Act funds, including weatherization.

Ineligible Activities

ARRA prohibits the use of Recovery Act funds for certain types of projects, including casinos or other any other gambling establishment, aquariums, zoos, golf courses, or swimming pools. Other activities generally prohibited under regulations governing the regular CDBG program are also prohibited under CDBG-R. This includes prohibitions on the construction of buildings for the general conduct of government, political activities, purchase of equipment, recreational facilities that serve a predominantly higher income clientele, and general promotional activities.

Project Selection

Staff in the Housing & Neighborhood Development Division of the Economic Development Work Group and in the Engineering Division of the Development Services Work Group collaborated to identify the projects selected for the CDBG-R funds. Given the degree of goals and expectations set for these funds nationally, the City can anticipate heightened oversight and monitoring from the Federal government, the public, and the media.

Local criteria for award fall into three major categories: (1) projects that are sustainable, well-financed, and established; (2) projects with the potential to yield significant results for the community; and (3) projects with the potential to produce tangible results for City residents, particularly for low- to moderate-income residents and neighborhoods. CDBG-R guidelines issued May 5, 2009 set clear overall priorities to maximize job creation and economic benefit. Specific direction includes that projects will:

- Preserve and creating jobs and promote economic recovery;
- Assist those most impacted by the current, ongoing economic recession;
- Promote investment needed to increase economic efficiency;
- Invest in transportation, environmental protection, or other infrastructure projects that will provide long-term economic benefits;
- Minimizing or avoid reductions in essential services; and/or
- Foster energy independence

Recovery Act guidance places a priority on projects that can be started and completed expeditiously (characterized by the term "shovel-ready"), with a goal of using at least

50% of the funds for projects that can be initiated not less than 120 days from the time funds are made available. This guidance also encourages projects that reflect discrete, stand-alone activities. Additionally, it is required that a minimum of 70% of the funding benefit low- to moderate-income residents.

Priority Areas

In accordance with Federal guidelines and requirements for the use of CDBG-R funding, the City of Carson will give priority to eligible activities implemented within the existing CDBG target areas (areas in which the proportion of low- and moderate-income residents equals or exceeds the Citywide "first quartile exception" percentage of 38.4%). These areas (see accompanying map) form four geographical clusters, with boundaries described as follows:

- North: From the intersection of Coltman Ave. and 189th St.; north along Coltman to Victoria St.; east along Victoria to Cairo Ave.; south along Cairo to 184th St.; east along 184th to Avalon Blvd.; south along Avalon to 189th St., and west along 189th to Coltman. (Census Tract 5434003)
- South: From Interstate 405 at Wilmington Ave.; south along Wilmington to the City boundary at Deloras Dr.; continuing west along Deloras and along the continuation of the City boundary to Avalon Blvd.; north along Avalon to Sepulveda Blvd.; west along Sepulveda to Panama Ave.; north along Panama to 238th Pl.; west along 238th Pl. to Catskill Ave.; north along Catskill to 236th St.; east along 236th St. to Panama Ave.; south along Panama to 237th St.; east along 237th to Idabel Ave.; then following Idabel as it curves north and east to Avalon Blvd.; north along Avalon to 223rd St.; east on 223rd to Lucerne St.; north on Lucerne to Renton St.; and then following a northeasterly diagonal line to 220th St.; west on 220th to Edgar St.; north on Edgar to 219th St.; west on 219th to Foley Ave.; then following the Interstate 405 right-of-way and Recreation Rd. back to Wilmington Ave. (Census Tracts 5433222 and 5439019)
- West: This consists of two contiguous areas that meet at the intersection of 223rd and Main Sts. The area to the southeast is bounded by Main, 223rd, Grace Ave., and 228th St. The area to the northwest follows Main north to 220th St., then east on 220th to Dolores St.; north along Dolores to 219th St.; east along 219th to Ravenna Ave.; north along Ravenna to Carson St.; west along Carson to the City boundary; then following the City boundary south to 223rd St.; and east along 223rd to Main. (Census Tracts 5433039, 5439021, and 5440001)
- East: Generally bounded by Del Amo Blvd., the eastern City boundary, Interstate 405, and Alameda St., but excluding the area bounded by Alameda, Van Buren St., Baltic Ave.; Dominguez St., Santa Fe Ave., and Tyler St. (Census Tracts 5433221, 543323, 5436041, 5437011, 5437021, and 5438026)

Using the Federal and local criteria, staff recommends allocating the \$295,080 in CDBG-R funds as follows:

City of Carson Concrete Replacement Program: \$295,080

This program repairs broken and damaged concrete street infrastructure, including curbs and gutters, sidewalks, driveway approaches, access ramps, and cross-gutters, to reduce incidences of tripping and other accidents, and to provide improved pedestrian

access, in locations throughout the City. The \$295,080 in CDBG-R funds will facilitate the initiation and completion of such projects located in the City's CDBG target areas (see the description of Priority Areas, above) and provide benefits to residents who are predominantly of low and moderate income. The \$295,080 in CDBG-R funding will be supplemented by \$269,000 in State of California bond funds (Proposition 1B). It is estimated that approximately five to ten construction jobs will result from this public investment.

Special Restrictions and Requirements

All regular CDBG requirements covering fair housing, nondiscrimination, labor standards (including wage rate requirements) and the environment apply to these supplemental funds.

In addition, there is a specific "Buy America" mandate in the Recovery Act that requires that all iron, steel, and manufactured goods used in projects funded with Recovery Act dollars be produced in the United States. This will impact all proposed projects to some degree; staff will work with the selected contractors and vendors to ensure compliance.

Displacement of Persons Assisted

The City of Carson certifies that it will minimize the displacement of persons as a result of activities assisted with CDBG-R funds.

Citizen Participation and Public Comment

This Substantial Amendment is due to HUD on Friday, June 5, 2009. All interested parties are invited to make comments on this Substantial Amendment in advance of its submittal. The Substantial Amendment is being placed on the City's web site, <http://ci.carson.ca.us>, for viewing beginning on Thursday, May 28, 2009. The public may also review the Substantial Amendment from Thursday, May 28, 2009 through Thursday, June 4, 2009, at the following locations:

- Office of the City Clerk, Carson City Hall, 701 East Carson Street, Carson, California 90745
- Housing & Neighborhood Development Division, 1 Civic Plaza Drive, Suite 500, Carson, California 90745
- Los Angeles County Library, Regional Library at Carson, 151 East Carson Street, Carson, California 90745
- Los Angeles County Library, Dr. Martin Luther King, Jr. Library, 17906 South Avalon Boulevard, Carson, California 90746

The public is encouraged to submit written comments, including name, address, and telephone number, to:

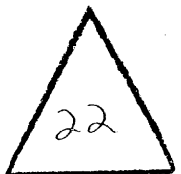
City of Carson
Housing & Neighborhood Development Division
Attn: Keith Bennett
1 Civic Plaza Drive, Suite 500
Carson, California 90745

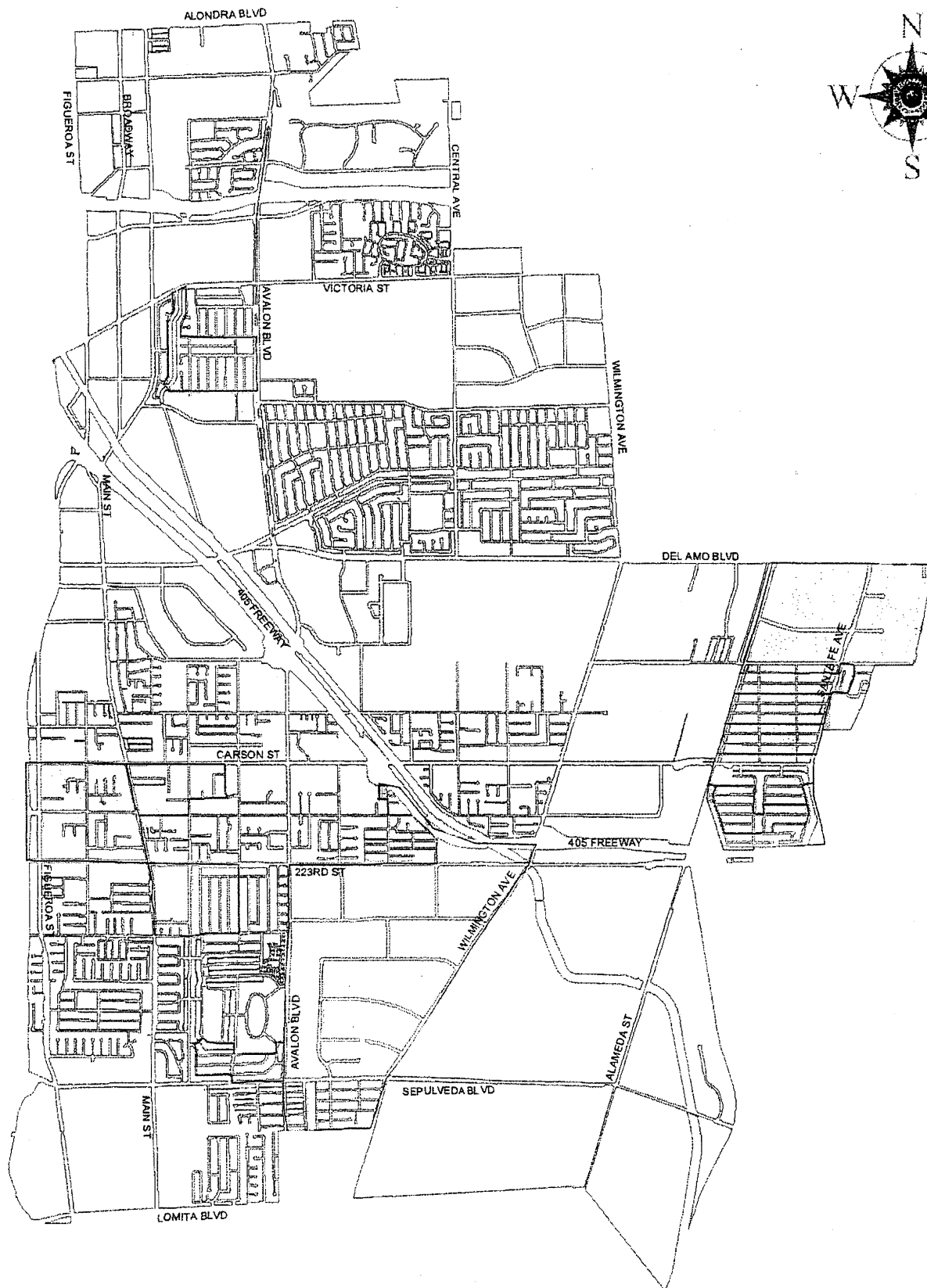


E-Mail: kbennett@carson.ca.us

All comments must be received at the Housing & Neighborhood Development Division office no later than 6:00 P. M. on Thursday, June 4, 2009.

For more information concerning this Substantial Amendment, Housing & Neighborhood Development Division staff can be reached at (310) 233-4800, Monday through Thursday, 7:00 A. M. to 6:00 P. M.





Block Grant Areas

City of Carson

magellan\share\gisprojects\75\blockgrant.mxd
5/27/2004

**ITEM NO. (5) CONSIDER ACCEPTANCE OF THE COMMUNITY DEVELOPMENT
BLOCK GRANT RECOVERY FUND AND THE APPROVAL OF PLANS,
SPECIFICATIONS, AND ESTIMATES AND AUTHORIZATION TO
ADVERTISE FOR BIDS FOR PROJECT NO. 1240: ANNUAL CONCRETE
MAINTENANCE REPLACEMENT PROGRAM (DEVELOPMENT
SERVICES)**

THIS IS A JOINT AGENDA ITEM TO AGENCY ITEM NO. 3

RECOMMENDATION for the City Council:

TAKE the following actions:

1. ACCEPT the Community Development Block Grant Recovery fund in the amount of \$295,080.00.
2. AUTHORIZE the expenditure of the Community Development Block Grant Recovery fund in the amount of \$295,080.00 for Project No. 1240: Annual Concrete Maintenance Replacement Program.
3. APPROVE the plans, specifications, estimates, location map, and location list and order the work for Project No. 1240: Annual Concrete Maintenance Replacement Program.
4. AUTHORIZE staff to advertise the work and call for bids for Project No. 1240: Annual Concrete Maintenance Replacement Program.

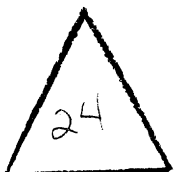
ACTION: It was moved to approve the staff recommendation on motion of Dear, seconded by Ruiz-Raber and unanimously carried by the following vote:

Ayes: Mayor/Chairman Dear, Mayor Pro Tem/Chairman Pro Tem Davis-Holmes,
Council/Agency Member Santarina, Council/Agency Member Gipson, and
Council/Agency Member Ruiz-Raber

Noes: None

Abstain: None

Absent: None



**ITEM NO. (5) CONSIDER AN AWARD OF A CONSTRUCTION CONTRACT FOR
PROJECT NO. 1240: ANNUAL CONCRETE MAINTENANCE
REPLACEMENT PROGRAM (DEVELOPMENT SERVICES)**

THIS IS A JOINT AGENDA ITEM WITH AGENCY ITEM NO. 3

RECOMMENDATION for the City Council:

TAKE the following actions:

1. AWARD a construction contract for Project No. 1240: Annual Concrete Maintenance Replacement Program in the amount of \$555,359.00, to the lowest responsible bidder, Pivot Group, Inc.
2. AUTHORIZE the expenditure of a construction contingency, if necessary, in the amount of \$44,641.00 (8%), which are the maximum available funds in the project budget, for change

orders such as the removal and remediation of contaminated soil, substructure conflicts, and other unforeseen construction work that may be required to complete this project.

3. AUTHORIZE the Mayor to execute the contract following approval as to form by the City Attorney.

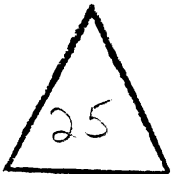
ACTION: It was moved to approve staff recommendation Nos. 1, 2, and 3 on motion of Dear, seconded by Gipson and unanimously carried by the following vote:

Ayes: Mayor/Chairman Dear, Mayor Pro Tem/Chairman Pro Tem Davis-Holmes,
Council/Agency Member Santarina, Council/Agency Member Gipson, and
Council/Agency Member Ruiz-Raber

Noes: None

Abstain: None

Absent: None



MUTUAL RELEASE AND SETTLEMENT AGREEMENT

This Mutual Release and Settlement Agreement (the "Agreement") is hereby executed on this 5th day of April, 2011, by and between the City of Carson, California and the Carson Redevelopment Agency (hereinafter collectively referred to as "City") and American Contractors Indemnity Company, a California corporation (hereinafter "ACIC"). The parties are sometimes individually referred to herein as "Party" and collectively referred to as "the Parties."

RECITALS

WHEREAS, on or about December 28, 2009, Pivot Group, Inc. (hereinafter "Pivot") entered into a Concrete Maintenance Replacement Program Agreement (hereinafter the "PGI Agreement") with City to perform concrete repairs to sidewalks, curbs, gutters and drive approaches and remove and dispose of trees throughout the City of Carson, in the State of California (hereinafter the "Concrete Maintenance Replacement Project No. 1240");

WHEREAS, ACIC issued its Payment Bond, Bond No. 1000811497 (hereinafter "Payment Bond") dated December 10, 2009, in the amount of Five Hundred Fifty Five Thousand Three Hundred and Fifty Nine Dollars and Zero Cents (\$555,359.00), naming Pivot as principal, to secure the payment of claims of laborers, mechanics, materialmen and other persons, as provided by law;

WHEREAS, ACIC issued its Faithful Performance Bond, Bond No. 1000811497 (hereinafter "Performance Bond") dated December 10, 2009, in the amount of Five Hundred Fifty Five Thousand Three Hundred and Fifty Nine Dollars and Zero Cents (\$555,359.00), naming Pivot as principal, for the faithful performance of said PGI Agreement;

WHEREAS, the PGI Agreement was terminated for default by the City and a demand for performance made against ACIC as per the terms and provisions of the Performance Bond;

WHEREAS, at the time the PGI Agreement was terminated, City was holding a remaining contract balance under the PGI Agreement in the amount of Eighty Five Thousand Five Hundred Thirty Six Dollars and 25/100 (\$85,536.25);

WHEREAS, ACIC under said Performance Bond, negotiated the completion of the Concrete Maintenance Replacement Project No. 1240 with City and the parties mutually agreed that City's staff would perform and complete the remaining work under the PGI Agreement, which primarily consisted of stump grinding and removal;

WHEREAS, the total cost of the work, labor and materials incurred by City to complete the remaining work under the PGI Agreement on the Concrete Maintenance Replacement Project No. 1240 was Three Thousand Twenty Seven Dollars and 18/100 (\$3,027.18);

WHEREAS, City's staff completed the Concrete Maintenance Replacement Project No. 1240 on or about March 17, 2011;

WHEREAS, City has asserted a claim against the Performance Bond for the cost of the work, labor and materials necessary to complete the Concrete Maintenance Replacement Project No. 1240 in the amount of Three Thousand Twenty Seven Dollars and 18/100 (\$3,027.18), as reflected in City's Invoice No. 14729. A true and correct copy of Invoice No. 14729 is attached hereto as **Exhibit "A"**;



WHEREAS, ACIC has provided City with Releases of the Stop Notices filed on the Concrete Maintenance Replacement Project No. 1240 by Sunbelt Rentals, Holliday Rock Co., Inc., National Ready Mixed Concrete Co., Cuscatlan Trucking, LLC, Los Angeles Signal Construction, Inc. and Dan Copp Crushing Corp.;

WHEREAS, the Labor Commissioner of the State of California, Department of Industrial Relations, Division of Labor Standards Enforcement ("DLSE") issued an Amended Civil Wage and Penalty Assessment ("CWPA") against Pivot on January 26, 2011 arising out of the Concrete Maintenance Replacement Project No. 1240, which is comprised of penalties under Labor Code section 1776 in the amount of \$2,450.00, wages and fringe benefits in the amount of \$43,463.67, and penalties under Labor Code sections 1775 and 1813 in the amount of \$15,750.00, for a total amount of \$61,663.67;

WHEREAS, on March 24, 2011 ACIC deposited the sum of \$61,663.67 with the Department of Industrial Relations to hold in escrow pending administrative and judicial review of the aforementioned CWPA and provided City with a copy of ACIC's deposit with the Department of Industrial Relations;

WHEREAS, the Parties are now desirous of fully and finally settling any and all disputes between the Parties and wish to enter into a definitive global settlement agreement to settle all of their differences on the terms and in the manner set forth in this Agreement;

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, conditions and terms set forth herein below, and for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and based on the recitals set forth above, the parties mutually agree as follows:

1. City is holding remaining contract funds under the PGI Agreement in the amount of Eighty Five Thousand Five Hundred Thirty Six Dollars and 25/100 (\$85,536.25) (hereinafter the "PGI Contract Funds").

2. Pursuant to the terms of this Agreement, ACIC agrees to pay to City the sum of Three Thousand Twenty Seven Dollars and 18/100 (\$3,027.18) in full satisfaction of City's claim on the Performance Bond ("Settlement Sum"). In exchange, City hereby withdraws and fully releases its claim on the Performance Bond and discharges ACIC.

3. In lieu of a direct payment from ACIC to City, City will deduct the Settlement Sum from the remaining PGI Contract Funds, thereby reducing the contract funds under the PGI Agreement to Eighty Two Thousand Five Hundred and Nine Dollars and 07/100 (\$82,509.07).

4. City shall then release the remaining contract funds under the PGI Agreement to ACIC in the amount of Eighty Two Thousand Five Hundred and Nine Dollars and 07/100 (\$82,509.07) by way of a check made payable to "American Contractors Indemnity Company." The check shall be mailed to Lanak & Hanna, P.C., Attn: Collin D. Cook, Esq., 625 The City Drive South, Suite 190, Orange California 92868.

5. The parties hereto for themselves, their successors, assignees, attorneys, insurers, officers, directors, agents and representatives, release, waive and discharge any and all claims, demands, actions or causes to action they or any of them have or claim to have against all other parties hereto and the other parties' successors, assignees, attorneys, insurers, officers, directors, agents and representatives, including, but not limited to, claims in tort, in contract (whether express, implied in law or implied in fact), or under any statute or law, and any other claim of any kind whatever, so that none of the parties

hereto shall have any further claims or causes of action against any of the other parties arising prior to the date of this Agreement. However, this Agreement and release shall not serve in any way to limit, restrict, implicate or prejudice ACIC's indemnity and subrogation rights or any other rights that ACIC has against Pivot and any other indemnitors. All of ACIC's rights against its indemnitors, including Pivot, shall remain in full force and effect.

6. The parties acknowledge that they have read the provisions of Civil Code Section 1542 which states:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

The parties hereto hereby waive the benefits of the foregoing Civil Code Section 1542 and any similar statute, rule or law, acknowledge that the releases set forth above are intended to be permanent, irrevocable, full and complete, and include matters which are known or unknown, suspected or unsuspected, notwithstanding the fact that the parties may later come across facts which, if known now, would have induced them not to enter into this Agreement.

7. The parties hereto acknowledge that in entering into this Agreement, they have been guided and advised by their own independently selected legal counsel and other advisors, enter into this Agreement on the basis of their own investigation of the facts, and have not relied upon any statement or omission on the part of the other party or parties hereto.

8. Should construction of this Agreement be necessary, it is deemed that this Agreement was prepared by each of the parties hereto jointly and equally, and shall not be interpreted against any one party on the ground that such party drafted this Agreement.

9. This Agreement is made at Los Angeles, California, and shall be construed and interpreted in accordance with the laws of the State of California.

10. Each Party will bear its own attorneys' fees, costs and expenses incurred as a result of the negotiations between the Parties.

11. Each party shall, at the request of the other, execute, acknowledge and deliver whatever additional instruments, and do such other acts, as may be required or convenient to carry out the intent and purpose of this Agreement.

12. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any such waiver constitute a continuing waiver. No waiver shall be binding, unless executed in writing by the party making the waiver.

13. In the event that any provision of this Agreement is held to be invalid, the same shall be severed from the remainder of this Agreement and shall not affect in any respect whatsoever the validity of the remainder of this Agreement.

14. The parties represent and warrant that they have not assigned or otherwise transferred any interest in or to any claim they are releasing herein, and any party alleged to have made such a transfer or assignment shall indemnify, defend and hold all releasees harmless from any liability, claims, demands, damages, costs, expenses, and attorneys' fees incurred by such releasees as a result of the assertion of any claim released herein by a person asserting to be an assignee or transferee of such claim.

15. This Agreement is integrated and is the sole agreement between the parties, and all other oral agreements or representations or written agreements shall be void and are superseded by this Agreement.

16. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed an original and such counterparts together shall constitute one and the same Agreement. Such counterparts may be exchanged by facsimile or other electronic communication, which shall be as effective as an original.

17. This Agreement shall be effective as of the date of its complete execution.

18. **IN WITNESS WHEREOF**, American Contractors Indemnity Company and the City of Carson, California and the Carson Redevelopment Agency have executed this Agreement on the day and year first written above.

**PLEASE READ CAREFULLY. THIS AGREEMENT CONTAINS A RELEASE
OF ALL KNOWN AND UNKNOWN CLAIMS**

**CITY OF CARSON, CALIFORNIA
CARSON REDEVELOPMENT AGENCY**

By: _____

Name: _____

Title: _____

Date: _____

**AMERICAN CONTRACTORS
INDEMNITY COMPANY**

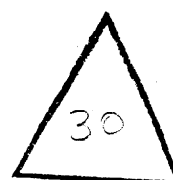
By: _____

Name: _____

Title: _____

Date: _____

Exhibit A





CITY OF CARSON

701 East Carson Street, P.O. Box 6234
Carson, CA 90749
(310) 830-7600

1130
0601

INVOICE 14729

To Assure credit for your payment:

- Show invoice number on remittance
- Detach this upper portion and return with payment

TO: American Contract. Indemn. Co

C/O GuaRdian Group, Inc.

2350 W. 205th Street

Torrance, CA 90501-0320

Amount

Enclosed

Invoice

Date March 17, 2011

Invoice

P.O. No.

Credit to

Account 12-00-999-000-4514-

0124001

Credit to

Account

MAKE CHECKS PAYABLE TO CITY OF CARSON

MAIL TO CITY OF CARSON - ATTENTION: CITY TREASURER'S OFFICE

Detach Here

Description	Amount
Project No. 1240: Annual Concrete Maintenance Replacement Program	
Contractor: Pivot Group, Inc.	
STUMPGRINDING COST PER ATTACHED DETAIL	\$3,027.18
TOTAL AMOUNT DUE	\$3,027.18

ADDRESS INQUIRES TO:

701 E. CARSON STREET

CARSON, CA 90745

P.O. BOX 6234

PREPARED BY Rick Boutros, P. E.

DEPARTMENT M. VICTOR ROLLINGER

ACCTG. DIV. BY Trinidad Catbagan, Accounting Mgr

ATTN: Rick Boutros (310) 952-1700 1830
Department Tel Ext.

MAKE NO ADJUSTMENTS WITHOUT PRIOR
AUTHORIZATION. PAYMENTS IS DUE WITHIN
THIRTY (30) DAYS UNLESS OTHERWISE
SPECIFIED.

INVOICE 14729

Description	Hrs	cost
STAKE BED TRUCK # 986	12	228.48
STUMPGRINDER	12	720.00
3/4 TON PICK UP TRUCK	12	183.81
ADMINISTRATIVE	1	30.00
ERIC	12	307.20
PETER	12	307.20
MANNY	16	441.12
EQUIPMENT #1034	12	304.84
		2,522.65
Additional 2 stumps to be removed		504.53
Total Cost		\$3,027.18



Presidential Special Project

Address	Operation	Operation	Operation	Equipment	Man Hours	
2532 MONROE	WORK CAMP		stake bed	986	10	eric 25.60
2536 MONROE			stump grinder	1160		peter 25.60
2510 TYLER				1034		manny 27.57
2627 TYLER			3470 p/u	932		
2618 TYLER						
2653 TYLER					10	
2707 TYLER						
2701 VAN BUREN		D.GALERT	CALL		1	manny
2548 JEFFERSON		D.GALERT	MARKING		3	manny
2727 JEFFERSON						
				1 hr admin	\$ 30,-	
* 2 stumps remain - Add 20% to complete						

Release of Stop Notice

To: City of Carson
701 East Carson Street
Carson, California 90745

You are hereby notified that the undersigned claimant releases that certain Stop Notice dated October 12, 2010 in the amount of **\$34,010.00** against the City of Carson, as owner or public body and Pivot Group, Inc., as prime contractor in connection with the work of improvement known as Various Locations Contract 1240 Annual Concrete Maintenance, in the City of Carson, County of Los Angeles, State of California, and described by the undersigned claimant at being located at the City of Carson between the streets of E. Carson St. and Dominguez St. S. Alameda St. and S. Santa Fe Ave.

Date: February 14, 2011

Cuscatlan Trucking, LLC

Signature:

Jose Henriquez

By:

Jose Henriquez

Its:

Owner

VERIFICATION

I, the undersigned, state that I am the claimant named in the foregoing Release of Stop Notice. I have read said Release of Stop Notice and know the contents thereof, and I certify that the same is true of my own knowledge.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this Verification was executed on February 14, 2011 at _____, California.

Signature:

Jose Henriquez

By:

Jose Henriquez

Its:

Owner

Release of Stop Notice

To: City of Carson
701 East Carson Street
Carson, California 90745

You are hereby notified that the undersigned claimant releases that certain Stop Notice dated December 16, 2010 in the amount of \$7,549.43 against the City of Carson, as owner or public body and Pivot Group, Inc., as prime contractor in connection with the work of improvement known as Annual Concrete Maintenance Replacement Program in Various Locations, in the City of Carson, County of Los Angeles, State of California.

Date: Mar 29, 2011

DAN COPP CRUSHING CORP.

Signature: Karen S. Ayres
By: Karen S. Ayres
Its: Secty - Treas

VERIFICATION

I, the undersigned, state that I am the claimant named in the foregoing Release of Stop Notice. I have read said Release of Stop Notice and know the contents thereof, and I certify that the same is true of my own knowledge.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this Verification was executed on Mar. 29, 2011 at _____, California.

Signature: Karen S. Ayres
By: Karen S. Ayres
Its: Secty - Treas

Release of Stop Notice

To: City of Carson
701 East Carson Street
Carson, California 90745

You are hereby notified that the undersigned claimant releases that certain Stop Notice dated October 13, 2010 in the amount of \$16,990.70 against the City of Carson, as owner or public body and Pivot Group, Inc., as prime contractor in connection with the work of improvement known as Various Locations Contract 1240 Annual Concrete Maintenance, in the City of Carson, County of Los Angeles, State of California.

Date: January 7, 2011

SUNBELT RENTALS

Signature:

Susie Baer

By:

Susie Baer

Its:

Credit Supervisor

VERIFICATION

I, the undersigned, state that I am the claimant named in the foregoing Release of Stop Notice. I have read said Release of Stop Notice and know the contents thereof, and I certify that the same is true of my own knowledge.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this Verification was executed on January 7, 2011 at Columbus, California
Ohio

Signature:

Susie Baer

By:

Susie Baer

Its:

Credit Supervisor



DENISE R. EBERT
NOTARY PUBLIC
STATE OF OHIO
Recorded in
Franklin County
My Comm. Exp. 10/28/14

Denise R. Ebert

Release of Stop Notice

To: City of Carson
701 East Carson Street
Carson, California 90745

You are hereby notified that the undersigned claimant releases that certain Stop Notice dated October 12, 2010 in the amount of \$8,942.17 against the City of Carson, as owner or public body and Pivot Group, Inc., as prime contractor in connection with the work of improvement known as Various Locations Contract 1240 Annual Concrete Maintenance, in the City of Carson, County of Los Angeles, State of California.

Date: December 8, 2010

Holliday Rock Co., Inc.

Signature:

Tim Kranz

By:

Tim Kranz

Its:

Credit Manager

VERIFICATION

I, the undersigned, state that I am the claimant named in the foregoing Release of Stop Notice. I have read said Release of Stop Notice and know the contents thereof, and I certify that the same is true of my own knowledge.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this Verification was executed on December 8, 2010 at Upland, California.

Signature:

Tim Kranz

By:

Tim Kranz

Its:

Credit Manager

Release of Stop Notice

To: City of Carson
701 East Carson Street
Carson, California 90745

You are hereby notified that the undersigned claimant releases that certain Stop Notice dated September 7, 2010 in the amount of \$45,848.09 against the City of Carson, as owner or public body and Pivot Group, Inc., as prime contractor in connection with the work of improvement known as Annual Concrete Maintenance Replacement Program, in the City of Carson, County of Los Angeles, State of California.

Date: December 13, 2010

National Ready Mixed Concrete Co.

Signature: M. Borge S.

By: M. Borge S.

Its: ASSA. C. Rep.

VERIFICATION

I, the undersigned, state that I am the claimant named in the foregoing Release of Stop Notice. I have read said Release of Stop Notice and know the contents thereof, and I certify that the same is true of my own knowledge.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this Verification was executed on December 13, 2010 at ENGRO, California.

Signature: M. Borge S.

By: M. Borge S.

Its: ASSA. C. Rep.

RELEASE OF STOP NOTICE

To: City of Carson
(Construction lender, public body, or party with whom Stop Notice was filed)

701 E. Carson St., Carson, CA 90749

(Address)

You are hereby notified that the undersigned claimant releases that certain Stop Notice dated
October 5th, 2010

in the amount of **\$2,000.00** against **City of Carson**

as owner or public body and **Pivot Group, Inc.**

as prime contractor in connection with the work of improvement known as

Annual Concrete Replacement Program - Project# 1240 - Various Locations, Carson, CA

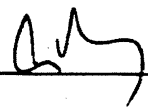
in the City of **San Dimas**, County of **Los Angeles**

State of California.

Date **April 5, 2011**

Name of Claimant **Los Angeles Signal Const., Inc.**

(Firm Name)

By 
(Signature)

President

(Authorized Capacity)

VERIFICATION

I, the undersigned, state: I am the **President**

("Agent of", "President of", "A Partner of", "Owner of", etc.)

the claimant named in the foregoing Release; I have read said Release of Stop Notice and know the contents thereof, and I certify that the same is true of my own knowledge.

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on **April 5th**, 2011 at **City of San Dimas**

State of **California**


(Signature of Claimant or Authorized Agent)

LANAK & HANNA, P.C.

ATTORNEYS AT LAW

625 THE CITY DRIVE SOUTH, SUITE 190
ORANGE, CALIFORNIA 92868-4983

TELEPHONE: (714) 550-0418 • EXT. NO.: 334 • FACSIMILE: (714) 703-1610
DIRECT EMAIL: cdcook@lanak-hanna.com

Collin D. Cook

Our File No.: 16975

VIA OVERNIGHT MAIL

March 24, 2011

Department of Industrial Relations
Attention Cashiering Unit
P.O. Box 420603
San Francisco, California 94142

RE:	Claim:	Amended Civil Wage and Penalty Assessment
	Claim Amount:	\$61,663.67
	DLSE Case No.:	40-27649-104
	Project:	Concrete Maintenance Replacement Program
	Principal:	Pivot Group, Inc.
	Bond No.:	1000811497

Dear Cashiering Unit:

Our firm represents Surety American Contractors Indemnity Company ("ACIC") with respect to the Amended Civil Wage and Penalty Assessment ("Amended Assessment") of Pivot Group, Inc. ("Pivot") dated January 26, 2011. A true and correct copy of the Amended Assessment is attached hereto as Exhibit "A".

ACIC is the Surety that issued Pivot Payment and Performance Bonds on the above referenced project. In accordance with Labor Code section 1742.1(b), enclosed please find a check in the amount of \$61,663.67, representing the full amount of the Amended Assessment, for the Department of Industrial Relations to hold in escrow pending administrative and judicial review.

Nothing in this letter, nor any action or communication to date, should be construed as a waiver of any rights or defenses that American Contractors Indemnity Company may have relating to this matter. All such rights and defenses are expressly reserved.

Very truly yours,



COLLIN D. COOK
Attorney At Law for the Firm

Enclosures

STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS - DIVISION OF LABOR STANDARDS ENFORCEMENT

CERTIFICATION OF SERVICE BY MAIL
(C.C.P. 1013a) OR CERTIFIED MAIL

I, Minerva Hernandez, do hereby certify that I am a resident of or employed in the County of
Los Angeles, over 18 years of age, and not a party to the within action, and that I am employed at
and my business address is:

Division of Labor Standards Enforcement
Public Works Investigations
320 W. 4th Street, Suite 450
Los Angeles, CA 90013

On January 26, 2011, I served the within: Amended Civil Wage and Penalty
Assessment.

by placing a true copy thereof in an envelope addressed as follows:

City of Carson
701 E. Carson Street
Carson, CA 90745-2224
Attn: Rick Boutros

Pivot Group, Inc.
150 S. Glenoaks Boulevard #9170
Burbank, CA 91502

American Contractors Indemnity Company
Agent: Jennie J Kim
601 S. Figueroa St., Suite 1600
Los Angeles, CA 90017

Lanak & Hanna, P.C.
Attorneys at Law
625 The City Drive South, Suite 190
Orange, CA 92868-4983
Attn: Collin D. Cook

and then sealing the envelope and with postage and certified mail fees (if applicable) thereon fully prepaid,

- ☒ Ordinary first class mail
☒ Certified mail
☐ Registered mail

I certify under penalty of perjury that the foregoing is true and correct

Executed on January 26, 2011, at Los Angeles, County of Los Angeles, California


SIGNATURE

STATE CASE NO.
40-27649-104
PW 34 (Revised - 12-9-03)

41

Labor Commissioner, State of California
Department of Industrial Relations
Division of Labor Standards Enforcement
320 W. 4th Street, Suite 450
Los Angeles, CA 90013
(213) 620-6047
FAX: 213-897-0020



DATE
January 26, 2011

In Reply Refer to Case No.
40-27649-1104

AMENDED CIVIL WAGE AND PENALTY ASSESSMENT

Awarding Body City of Carson	Work Performed in County of Los Angeles
PROJECT NAME Concrete Maintenance Replacement Program Contract #1240	Project No. 0
Prime Contractor Pivot Group, Inc.	
Subcontractor Info	

After an investigation concerning the payment of wages to workers employed in the execution of the contract for the above-named public works project, the Division of Labor Standards Enforcement (the "Division") has determined that violations of the California Labor Code have been committed by the contractor and/or subcontractor identified above. In accordance with Labor Code section 1741, the Division hereby issues this Civil Wage and Penalty Assessment.

The nature of the violations of the Labor Code and the basis for the assessment are as follows:
Pivot Group Inc. failed to pay the prevailing wages to two workers/cement mason on the above-stated project in violation of Labor Code Section 1774 & 1813 respectively.

The attached Audit Summary further itemizes the calculation of wages due and penalties under Labor Code sections 1775 and 1813.

The Division has determined that the total amount of wages due is: \$43,463.67

The Division has determined that the total amount of penalties assessed under Labor Code sections 1775 and 1813 is: \$15,750.00

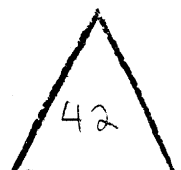
The Division has determined that the amount of penalties assessed against Pivot Group, Inc. under Labor Code section 1776 is: \$2,450.00 as 11/15/10

Please refer to page 5 for specific withholding obligations pertaining to these amounts.

STATE LABOR COMMISSIONER

By Minerva Hernandez
Minerva Hernandez
Management Services Technician

PH 33 Revised 10/06



Notice of Right to Obtain Review - Formal Hearing

In accordance with Labor Code Section 1742, an affected contractor or subcontractor may obtain review of this Civil Wage and Penalty Assessment by transmitting a written request to the office of the Labor Commissioner that appears below within 60 days after service of the assessment. To obtain a hearing, a written Request for Review must be transmitted to the following address:

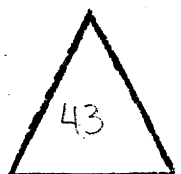
Labor Commissioner, State of California
Civil Wage and Penalty Assessment Review Office
2031 Howe Ave., Suite 100
Sacramento, CA 95825

A Request for Review either shall clearly identify the Civil Wage and Penalty Assessment from which review is sought, including the date of the assessment, or it shall include a copy of the assessment as an attachment, and shall also set forth the basis upon which the assessment is being contested. In accordance with Labor Code section 1742, the contractor or subcontractor shall be provided an opportunity to review evidence to be utilized by the Labor Commissioner at the hearing within 20 days of the Labor Commissioner's receipt of the written Request for Review.

Failure by a contractor or subcontractor to submit a timely Request for Review will result in a final order which shall be binding on the contractor and subcontractor, and which shall also be binding, with respect to the amount due, on a bonding company issuing a bond that secures the payment of wages and a surety on a bond. Labor Code section 1743.

In accordance with Labor Code section 1742(d), a certified copy of a final order may be filed by the Labor Commissioner in the office of the clerk of the superior court in any county in which the affected contractor or subcontractor has property or has or had a place of business. The clerk, immediately upon the filing, shall enter judgment for the State against the person assessed in the amount shown on the certified order.

(continued on next page)



Opportunity for Settlement Meeting

In accordance with Labor Code section 1742.1(c), the Labor Commissioner shall, upon receipt of a request from the affected contractor or subcontractor within 30 days following the service of this Civil Wage and Penalty Assessment, afford the contractor or subcontractor the opportunity to meet with the Labor Commissioner or his or her designee to attempt to settle a dispute regarding the assessment. The settlement meeting may be held in person or by telephone and shall take place before the expiration of the 60-day period for seeking a hearing as set forth above under the heading Notice of Right to Obtain Review. No evidence of anything said or any admission made for the purpose of, in the course of, or pursuant to, the settlement meeting is admissible or subject to discovery in any administrative or civil proceeding. This opportunity to timely request an informal settlement meeting is in addition to the right to obtain a formal hearing, and a settlement meeting may be requested even if a written Request for Review has already been made. Requesting a settlement meeting, however, does not extend the 60-day period during which a formal hearing may be requested.

A written request to meet with the Labor Commissioner or his or her designee to attempt to settle a dispute regarding this assessment must be transmitted to Minerva Hernandez
at the following address: 320 W. 4th Street, Suite 450
Los Angeles, CA 90013

Liquidated Damages

In accordance with Labor Code section 1742.1(a), after 60 days following the service of this Civil Wage and Penalty Assessment, the affected contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages in an amount equal to the wages, or portion thereof that still remain unpaid. If the assessment subsequently is overturned or modified after administrative or judicial review, liquidated damages shall be payable only on the wages found to be due and unpaid. If the contractor or subcontractor demonstrates to the satisfaction of the Director of the Department of Industrial Relations that he or she had substantial grounds for believing the assessment or notice to be an error, the Director shall waive payment of the liquidated damages.

(continued on next page)



Notwithstanding the above, in accordance with Labor Code 1742.1(b), there shall be no liability of liquidated damages if the full amount of the assessment or notice, including penalties, has been deposited with the Department of Industrial Relations, within 60 days following service of the assessment or notice, for the Department to hold in escrow pending administrative and judicial review. The Department shall release such funds, plus any interest earned, at the conclusion of all administrative and judicial review to the persons and entities who are found to be entitled to such funds.

In lieu of a cash deposit, the contractor may post an undertaking with the Department in full amount of the CWPA. The undertaking shall be on the condition that, if any decision is issued by the Director upholding the CWPA in any regard, the employer (contractor) shall pay the amount owed pursuant to the decision the date the decision is final under Labor Code Section 1742 unless the parties have executed a settlement agreement for the payment of some other amount, in which case the contractor shall pay the amount that the contractor is obligated to pay under the terms of the settlement agreement. The undertaking must provide that if the contractor fails to pay the amount owed within 10 days of the date the decision is final or the execution of the settlement agreement, a portion of the undertaking equal to the amount owed, or the entire undertaking if the amount owed exceeds the undertaking, is forfeited to the Labor Commissioner to satisfy the amounts owed under the CWPA. A payment bond obtained by a contractor for the public works project which is the subject of the CWPA shall not be accepted as an undertaking unless the following two conditions are completely satisfied: (1) the payment bond provides for the payment of the full amount of the CWPA, including but not limited to, all wages, training, trust contributions, and penalties and (2) the conditions of payment set forth above are expressly agreed to by the affected contractor(s) and the surety which issued the payment bond. The undertaking should be forward to the Department as directed below. The Department's Accounting Office will hold the undertaking until the administrative and judicial review is completed. The disbursement of the bond funds will follow the same process as described above for a cash deposit.

Deposits must be made by check or money order payable to the Department of Industrial Relations with a letter and a copy of the Civil Wage and Penalty Assessment and mailed to:

Department of Industrial Relations
Attention Cashiering Unit
P.O. Box 420603
San Francisco, CA 94142

The Amount of Liquidated Damages Available Under this Assessment is \$43,463.67

(continued on next page)



Statutory Withholding Obligations

1. Awarding Body Withholding Obligations

In accordance with Labor Code section 1727(a), before making payments to the contractor of money due under a contract for public work, the awarding body shall withhold and retain therefrom all amounts required to satisfy this Civil Wage and Penalty Assessment. The amount required to satisfy this Civil Wage and Penalty Assessment shall not be disbursed by the awarding body until receipt of a final order that is no longer subject to judicial review.

The amount which must be withheld and retained by the awarding body pursuant to this Civil Wage and Penalty Assessment is:

Wages Due:	<u>\$43,463.67</u>
Penalties Due Under Labor Code sections 1775 and 1813:	<u>\$15,750.00</u>
Penalties Due Under Labor Code sections 1776:	<u>\$2,450.00</u>
Total Withholding Amount:	<u>\$61,663.67</u>

2. Prime Contractor Withholding Obligations:

In accordance with Labor Code section 1727(b), if the awarding body has not retained sufficient money under the contract to satisfy this Civil Wage and Penalty Assessment based on a subcontractor's violations, the contractor shall, upon the request of the Labor Commissioner, withhold sufficient money due the subcontractor under the contract to satisfy the assessment and transfer the money to the awarding body. This amount shall not be disbursed by the awarding body until receipt of a final order that is no longer subject to judicial review.

☐ If this box is checked, the Labor Commissioner hereby requests that the prime contractor withhold the following amount from money due the subcontractor and transfer the money to the awarding body to satisfy this assessment:

Wages Due:	<u>\$43,463.67</u>
Penalties Due Under Labor Code sections 1775 and 1813:	<u>\$15,750.00</u>
Penalties Due Under Labor Code sections 1776:	<u>\$2,450.00</u>
Total Withholding Amount:	<u>\$61,663.67</u>

Distribution:

Awarding Body
Surety(s) on Bond
Prime Contractor
Subcontractor



WAGE DETERMINATION INFORMATION

CODE NO.	CLASSIFICATION	WAGE DETERMINATION NO.
1	Cement Mason	SC-23-203-2-2009-1
2	General Mason	SC-23-203-2-2009-1 **increase
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		

PREVAILING WAGE DETERMINATION SUMMARY							
CODE NO.	CLASSIFICATION	Effective Date	HOURLY		TRAINING TIME 1/2	HOLIDAY TRAVEL & SUNDAY SUBSISTENCE	Other hourly Requirements
			Contributions	RATE			
1	Cement Mason	8/22/2009	47.590	0.450	62.340		
2	Cement Mason	7/1/2010	49.040	0.450	63.790		
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							



American Contractors Indemnity Co./U.S. Specialty Insurance Co./United States Surety Co.

Claims Account

CHECK NO.: 32141

VENDOR ID: 1180130399-001

CHECK AMOUNT: \$61,663.67

CHECK DATE: 03/22/11

VENDOR NAME: DEPARTMENT OF INDUSTRIAL RELATIONS

CLAIM NUMBER	BOND NUMBER	PRINCIPAL	INVOICE DATE	INVOICE AMOUNT	DESCRIPTION
31147-4_141256	1000811497	PIVOT GROUP, INC. -1	03/22/11	61,663.67	Undertaking under Labor Code 1742.1(b), Case No. 40-2764
TOTAL				61,663.67	

HCC INSURANCE HOLDINGS, INC. - CHECK IS VOID WITHOUT MICROPRINT ON CHECK BORDER, A TRUE WATERMARK ON BACK, AND THERMOCHROMIC INK



HCC

American Contractors Indemnity Co.
U.S. Specialty Insurance Co.
United States Surety Co.

Claims Account

Members of HCC Surety Group
601 S. Figueroa St.
Ste. 1600
Los Angeles, CA 90017

Wells Fargo Bank Ohio, N.A.
115 Hospital Drive
Van Wert, OH 45891-9034

CHECK NO.
32141

56-382
412

PAY

TO
THE
ORDER
OF

Sixty one thousand six hundred sixty three and 67/100 Dollars

DEPARTMENT OF INDUSTRIAL RELATIONS
ATTENTION CASHIERING UNIT

P. O. BOX 420603

SAN FRANCISCO CA 94142

DATE
03/22/11

AMOUNT
\$61,663.67

VOID AFTER 180 DAYS

Adam S. Per...

Michael

TWO SIGNATURES REQUIRED

Rub Here

⑈032141⑈ ⑆041203824⑆ 9600 084565⑈

49