

Council Meeting of
June 13, 2006

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

SUBJECT: Recommendation to award a contract for construction of prefabricated metal building at the City Services Yard

Expenditure: \$270,440

RECOMMENDATION

The General Services Director recommends the City Council:

- 1) Award a contract to Action Contractors for \$230,817 with a 5% contingency of \$11,541 for the Mower Repair Shed at the City Services Yard (FEAP #493).
- 2) Authorize 10% in project management fees and \$5,000 for professional services.
- 3) Appropriate \$80,000 from the General Services Operating Budget for use in the project.

Funding

Funding is available in the Mower Repair Shed FEAP #493, with an additional \$80,000 to be appropriated from the General Services Operating Budget 2005-2006.

BACKGROUND/ANALYSIS

Due to the increase productivity for specialty electronic equipment on Fire Department trucks, Police, and City vehicles, the Radio Shop located at the City Yard will need to expand to address the increased work load and staffing levels. The relocation of the Fleet Services Mower Repair Shop was found to be the least evasive and most logical step to accommodate the expansion of the Radio Shop.

The scope of work for this project entails a construction of a prefabricated steel building with roll up doors, windows, interior and exterior electrical, concrete, asphalt, and foundation work.

The General Services Department held a job walk on April 27, 2006 for prospective bidders. Staff opened the formal bids on Thursday, May 18, 2006 in the council chambers and received the following two bids.

Action Contractors	\$230,817
Fleming Environmental	\$318,500

Total cost for the first phase of the project is \$270,440, this includes the contingency, project management fees, and professional services, with a balance of \$233,031.26 available for second phase of construction the expansion of the Radio Shop.

After reviewing the company's proposals, their experience with similar projects, references, and licensing, the General Services Director recommends the City Council award a contract to Action Contractors Inc. for \$230,817 for the City Yard Mower Repair Shed FEAP #493 and appropriate \$80,000 from the General Services Operating Budget 2005-2006.

Respectfully submitted,



Diane Caseltine

By Business Manager

CONCUR:



Sheryl Ballew
General Services Director



LeRoy Jackson
City Manager

Attachment A: Action Contractor's Contract

PUBLIC WORKS AGREEMENT

This PUBLIC WORKS AGREEMENT ("Agreement") is made and entered into as of June 13th, 2006, by and between the CITY OF TORRANCE, a municipal corporation ("CITY"), and Action Contractors Inc., a California Corporation.

RECITALS:

- A. The CITY wishes to retain the services of an experienced and qualified CONTRACTOR to furnish all labor, materials, tools, equipment and incidentals in accordance with the plans and specifications prepared by BOA Architect for the Construction of Mower Repair Shed located at the City Services Yard.
- B. In order to obtain the desired services, The CITY has circulated a Notice Inviting Bids for Fabrication and Installation of a Mower Shed, Notice Inviting Bids No. **2006-18** (the "NIB"); and
- C. CONTRACTOR has submitted a Bid (the "Bid") in response to the NIB. CONTRACTOR represents that it is qualified to perform those services requested in the Plans and Specifications. Based upon its review of all Bids submitted in response to the NIB, The CITY is willing to award the contract to CONTRACTOR.

AGREEMENT:

1. SERVICES TO BE PERFORMED BY CONTRACTOR

CONTRACTOR will provide the services and install those materials listed in the Plans and Specifications, which are on file in the General Services Department. The NIB and the Plans and Specifications are made a part of this Agreement. A copy of the Bid is attached as Exhibit A.

2. TERM

Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect until March 31, 2007.

3. COMPENSATION

A. CONTRACTOR's Fee.

For services rendered pursuant to this Agreement, CONTRACTOR will be paid in accordance with CONTRACTOR's Bid; provided, however, that in no event will the total amount of money paid the CONTRACTOR, for

services initially contemplated by this Agreement, exceed the sum of \$230,817 ("Agreement Sum"), unless otherwise first approved in writing by the CITY.

B. Schedule of Payment.

Provided that the CONTRACTOR is not in default under the terms of this Agreement, upon presentation of an invoice, CONTRACTOR will be paid monthly, within 30 days after the date of the monthly invoice.

4. TERMINATION OF AGREEMENT

A. Termination by CITY for Convenience.

1. CITY may, at any time, terminate the Agreement for CITY's convenience and without cause.
2. Upon receipt of written notice from CITY of such termination for CITY's convenience, CONTRACTOR will:
 - a. cease operations as directed by CITY in the notice;
 - b. take actions necessary, or that CITY may direct, for the protection and preservation of the work; and
 - c. except for work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.
3. In case of such termination for CITY's convenience, CONTRACTOR will be entitled to receive payment for work executed; and costs incurred by reason of such termination, along with reasonable overhead and profit on the work not executed.

B. Termination for Cause.

1. If either party fails to perform any term, covenant or condition in this Agreement and that failure continues for 15 calendar days after the nondefaulting party gives the defaulting party written notice of the failure to perform, this Agreement may be terminated for cause; provided, however, that if during the notice period the defaulting party has promptly commenced and continues diligent efforts to remedy the default, the defaulting party will have such additional time as is reasonably necessary to remedy the default.
2. In the event this Agreement is terminated for cause by the default of the CONTRACTOR, the CITY may, at the expense of the CONTRACTOR and its surety, complete this Agreement or cause it to be completed. Any check or bond delivered to the CITY in

connection with this Agreement, and the money payable thereon, will be forfeited to and remain the property of the CITY. All moneys due the CONTRACTOR under the terms of this Agreement will be retained by the CITY, but the retention will not release the CONTRACTOR and its surety from liability for the default. Under these circumstances, however, the CONTRACTOR and its surety will be credited with the amount of money retained, toward any amount by which the cost of completion exceeds the Agreement Sum and any amount authorized for extra services.

3. Termination for cause will not affect or terminate any of the rights of the CITY as against the CONTRACTOR or its surety then existing, or which may thereafter accrue because of the default; this provision is in addition to all other rights and remedies available to the CITY under law.

C. Termination for Breach of Law.

In the event the CONTRACTOR or any of its officers, directors, shareholders, employees, agents, subsidiaries or affiliates is convicted (i) of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of a contract or subcontract; (ii) under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a public consultant or contractor; (iii) under state or federal antitrust statutes arising out of the submission of bids or proposals; or (iv) of violation of Paragraph 19 of this Agreement; or for any other cause the CITY determines to be so serious and compelling as to affect CONTRACTOR's responsibility as a public consultant or contractor, including but not limited to, debarment by another governmental agency, then the CITY reserves the unilateral right to terminate this Agreement or to impose such other sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it deems proper. The CITY will not take action until CONTRACTOR has been given notice and an opportunity to present evidence in mitigation.

5. **FORCE MAJEURE**

If any party fails to perform its obligations because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other

causes beyond the reasonable control of the party obligated to perform, then that party's performance shall be excused for a period equal to the period of such cause for failure to perform.

6. RETENTION OF FUNDS

CONTRACTOR authorizes the CITY to deduct from any amount payable to CONTRACTOR (whether or not arising out of this Agreement) any amounts the payment of which may be in dispute or that are necessary to compensate the CITY for any losses, costs, liabilities, or damages suffered by the CITY, and all amounts for which the CITY may be liable to third parties, by reason of CONTRACTOR's negligent acts or omissions or willful misconduct in performing or failing to perform CONTRACTOR's obligations under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by CONTRACTOR, or any indebtedness exists that appears to be the basis for a claim of lien, the CITY may withhold from any payment due, without liability for interest because of the withholding, an amount sufficient to cover the claim. The failure of the CITY to exercise the right to deduct or to withhold will not, however, affect the obligations of CONTRACTOR to insure, indemnify, and protect the CITY as elsewhere provided in this Agreement.

7. THE CITY'S REPRESENTATIVE

Tom Kelly, Facility Services Building Inspector is designated as the "City Representative," authorized to act in its behalf with respect to the work and services specified in this Agreement and to make all decisions in connection with this Agreement. Whenever approval, directions, or other actions are required by the CITY under this Agreement, those actions will be taken by the City Representative, unless otherwise stated. The City Manager has the right to designate another City Representative at any time, by providing notice to CONTRACTOR.

8. CONTRACTOR REPRESENTATIVE(S)

The following principal(s) of CONTRACTOR are designated as being the principal(s) and representative(s) of CONTRACTOR authorized to act in its behalf with respect to the work specified in this Agreement and make all decisions in connection with this Agreement:

Dennis Moreau
Walter Sprowl

9. INDEPENDENT CONTRACTOR

The CONTRACTOR is, and at all times will remain as to the CITY, a wholly independent contractor. Neither the CITY nor any of its agents will have control

over the conduct of the CONTRACTOR or any of the CONTRACTOR's employees, except as otherwise set forth in this Agreement. The CONTRACTOR may not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of the CITY.

10. BUSINESS LICENSE

The CONTRACTOR must obtain a City business license prior to the start of work under this Agreement, unless CONTRACTOR is qualified for an exemption.

11. OTHER LICENSES AND PERMITS

CONTRACTOR warrants that it has all professional, contracting and other permits and licenses required to undertake the work contemplated by this Agreement.

12. FAMILIARITY WITH WORK

By executing this Agreement, CONTRACTOR warrants that CONTRACTOR (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, CONTRACTOR warrants that CONTRACTOR has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services set forth in this Agreement. Should CONTRACTOR discover any latent or unknown conditions that will materially affect the performance of the services set forth in this Agreement, CONTRACTOR must immediately inform the CITY of that fact and may not proceed except at CONTRACTOR's risk until written instructions are received from the CITY.

13. CARE OF WORK

CONTRACTOR must adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and other components to prevent losses or damages, and will be responsible for all damages, to persons or property, until acceptance of the work by the CITY, except those losses or damages as may be caused by the CITY's own negligence.

14. CONTRACTOR'S ACCOUNTING RECORDS; OTHER PROJECT RECORDS

Records of the CONTRACTOR's time pertaining to the project, and records of accounts between the CITY and the CONTRACTOR, will be kept on a generally recognized accounting basis. CONTRACTOR will also maintain all other

records, including without limitation specifications, drawings, progress reports and the like, relating to the project. All records will be available to the CITY during normal working hours. CONTRACTOR will maintain these records for three years after final payment.

15. INDEMNIFICATION

CONTRACTOR will indemnify, defend, and hold harmless CITY, the City Council, each member thereof, present and future, its officers, agents and employees from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, those arising from breach of contract, bodily injury, death, personal injury, property damage, loss of use, or property loss however the same may be caused and regardless of the responsibility for negligence. The obligation to indemnify, defend and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts or omissions, or willful misconduct of CONTRACTOR, its officers, employees, agents, subcontractors or vendors. It is further agreed, CONTRACTOR's obligations to indemnify, defend and hold harmless will apply even in the event of concurrent negligence on the part of CITY, the City Council, each member thereof, present and future, or its officers, agents and employees, except for liability resulting solely from the negligence or willful misconduct of CITY, its officers, employees or agents. Payment by CITY is not a condition precedent to enforcement of this indemnity. In the event of any dispute between CONTRACTOR and CITY, as to whether liability arises from the sole negligence of the CITY or its officers, employees, agents, subcontractors or vendors, CONTRACTOR will be obligated to pay for CITY's defense until such time as a final judgment has been entered adjudicating the CITY as solely negligent. CONTRACTOR will not be entitled in the event of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

16. NON-LIABILITY OF THE CITY'S OFFICERS AND EMPLOYEES

No officer or employee of the CITY will be personally liable to CONTRACTOR, in the event of any default or breach by the CITY or for any amount that may become due to CONTRACTOR.

17. INSURANCE

A. CONTRACTOR must maintain at its sole expense the following insurance, which will be full coverage not subject to self insurance provisions:

- (1) Automobile Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability:

- (a) Primary Bodily Injury with limits of at least \$500,000 per person, \$1,000,000 per occurrence; and
 - (b) Primary Property Damage of at least \$250,000 per occurrence; or
 - (c) Combined single limits of \$1,000,000 per occurrence.
- (2) General Liability including coverage for premises, products and completed operations, independent contractors, personal injury and contractual obligations with combined single limits of coverage of at least \$2,000,000 per occurrence.
 - (3) Workers' Compensation with limits as required by the State of California and Employers Liability with limits of at least \$1,000,000.
- B. The insurance provided by CONTRACTOR will be primary and non-contributory.
 - C. The CITY of Torrance, the City Council and each member thereof, members of boards and commissions, every officer, agent, official, employee and volunteer must be named as additional insureds under the automobile and general liability policies.
 - D. CONTRACTOR must provide certificates of insurance and/or endorsements to the City Clerk of the City of Torrance before the commencement of work.
 - E. Each insurance policy required by this Paragraph must contain a provision that no termination, cancellation or change of coverage can be made without thirty days notice to the CITY.
 - F. CONTRACTOR must include all subcontractors as insureds under its policies or must furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors will be subject to all of the requirements of this Paragraph 17.

18. SUFFICIENCY OF INSURERS

Insurance required by this Agreement will be satisfactory only if issued by companies admitted to do business in California, rated "B+" or better in the most recent edition of Best's Key Rating Guide, and only if they are of a financial category Class VII or better, unless these requirements are waived by the Risk Manager of the CITY ("Risk Manager") due to unique circumstances. In the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the CITY,

the CONTRACTOR agrees that the minimum limits of any insurance policies and/or the performance bond required by this Agreement may be changed accordingly upon receipt of written notice from the Risk Manager; provided that CONTRACTOR will have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of the CITY within 10 days of receipt of notice from the Risk Manager.

19. CONFLICT OF INTEREST

- A. No officer or employee of the CITY may have any financial interest, direct or indirect, in this Agreement, nor may any officer or employee participate in any decision relating to the Agreement that effects the officer or employee's financial interest or the financial interest of any corporation, partnership or association in which the officer or employee is, directly or indirectly interested, in violation of any law, rule or regulation.
- B. No person may offer, give, or agree to give any officer or employee or former officer or employee, nor may any officer or employee solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any way pertaining to any program requirement, contract or subcontract, or to any solicitation or proposal.

20. NOTICE

- A. All notices, requests, demands, or other communications under this Agreement will be in writing. Notice will be sufficiently given for all purposes as follows:
 - (1) Personal delivery. When personally delivered to the recipient: notice is effective on delivery.
 - (2) First Class mail. When mailed first class to the last address of the recipient known to the party giving notice: notice is effective three mail delivery days after deposit in an United States Postal Service office or mailbox.
 - (3) Certified mail. When mailed certified mail, return receipt requested: notice is effective on receipt, if delivery is confirmed by a return receipt.

- (4) Overnight delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account: notice is effective on delivery, if delivery is confirmed by the delivery service.
- (5) Facsimile transmission. When sent by fax to the last fax number of the recipient known to the party giving notice: notice is effective on receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice are as follows:

CONTRACTOR: Action Contractors inc.
17111 S. Broadway
Gardena, CA 90248

(310) 515-3806

CITY: City Clerk
City of Torrance
3031 Torrance Boulevard
Torrance, CA 90509-2970
Fax: (310) 618-2931

- B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, will be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.
- C. Either party may change its address or fax number by giving the other party notice of the change in any manner permitted by this Agreement.

21. PROHIBITION AGAINST ASSIGNMENT AND SUBCONTRACTING

This Agreement and all exhibits are binding on the heirs, successors, and assigns of the parties. The Agreement may not be assigned or subcontracted by either the CITY or CONTRACTOR without the prior written consent of the other.

22. INTEGRATION; AMENDMENT

This Agreement represents the entire understanding of the CITY and CONTRACTOR as to those matters contained in it. No prior oral or written

understanding will be of any force or effect with respect to the terms of this Agreement. The Agreement may not be modified or altered except in writing signed by both parties.

23. INTERPRETATION

The terms of this Agreement should be construed in accordance with the meaning of the language used and should not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction that might otherwise apply.

24. SEVERABILITY

If any part of this Agreement is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of the Agreement will remain in full force and effect.

25. TIME OF ESSENCE

Time is of the essence in the performance of this Agreement.

26. GOVERNING LAW; JURISDICTION

This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from the Agreement will be in Los Angeles County, California.

27. COMPLIANCE WITH STATUTES AND REGULATIONS

CONTRACTOR will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.

28. WAIVER OF BREACH

No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default will impair the right or remedy or be construed as a waiver. A party's consent or approval of any act by the other party requiring the party's consent or approval will not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and will not be a waiver of any other default concerning the same or any other provision of this Agreement.

29. ATTORNEY'S FEES

Except as provided for in Paragraph 15, in any dispute, litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this

Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party will be awarded reasonable attorney's fees, together with any costs and expenses, to resolve the dispute and to enforce any judgment.

30. EXHIBITS

All exhibits identified in this Agreement are incorporated into the Agreement by this reference.

31. CONTRACTOR'S AUTHORITY TO EXECUTE

The persons executing this Agreement on behalf of the CONTRACTOR warrant that (i) the CONTRACTOR is duly organized and existing; (ii) they are duly authorized to execute this Agreement on behalf of the CONTRACTOR; (iii) by so executing this Agreement, the CONTRACTOR is formally bound to the provisions of this Agreement; and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which the CONTRACTOR is bound.

CITY OF TORRANCE,
a Municipal Corporation

Action Contractors Inc.
A California Corporation

Dan Walker, Mayor

By: _____
Walter Sprowl
Project Manager

ATTEST:

Sue Herbers, City Clerk

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By: _____

Attachments: Exhibit A: Bid

EXHIBIT A

Bid

[To be attached]

BIDDER'S PROPOSAL
B 2006-18

Company: Action Contractors, Inc.
Base Bid: \$ 230,817

FABRICATION AND INSTALLATION OF A MOWER SHED

Honorable Mayor and Members
of the Torrance City Council
Torrance, California

Members of the Council:

In accordance with the Notice Inviting Bids pertaining to the receiving of sealed proposals by the City Clerk of the City of Torrance for the above titled improvement, the undersigned hereby proposes to furnish all work to be performed in accordance with the Plans, Specifications and Contract Documents, prepared by BOA Architect for the lump sum, bid alternates and Contractor's values set forth in the following schedules. The award of contract will be on the base bid.

Item	Description	Prices written in words	Total Bid
1.	Base Bid Lump Sum Cost	Two hundred thirty thousand eight hundred and seventeen	\$ 230,817
2.	Bid Alternate #1 1 - 2 Ton Crane	Sixty nine thousand, four hundred sixty	\$ 69,460

Assignment of Contractor's values:

Item	Description	Total Amount
Division 01	General Requirements:	\$ 59,450
Division 02	Site Work:	21,550
Division 03	Concrete:	31,300
Division 04	Masonry:	6,000
Division 05	Metals:	-
Division 06	Wood and Plastics:	-
Division 07	Thermal and Moisture Protection:	8,176
Division 08	Doors and Windows:	5,455
Division 09	Finishes:	25,900

STATE OF CALIFORNIA }

CONTRACTOR'S AFFIDAVITCOUNTY OF } Los Angeles }

B 2006-18

Walter Sprowl, being first duly sworn,
deposes and says:

1. That he/she is the Project Manager
Title
of Action Contractors, Inc.
Name of Partnership, Corporation, or Sole Proprietorship

hereinafter called "Contractor", who has submitted to the City of Torrance a proposal for the construction of:

Fabrication and Installation of a Mower Shed

2. That said proposal is genuine; that the same is not sham; that all statement of facts therein are true;
3. That such proposal was not made in the interest or behalf of any person, partnership, company, association, organization or corporation not named or disclosed;
4. That the Contractor did not, directly or indirectly, induce, solicit or agree with anyone else to submit a false or sham bid, to refrain from bidding, or to withdraw the bid, to raise or fix the bid price of the Contractor or anyone else, or to raise or fix any overhead, profit or cost element of the Contractor's price or the price of anyone else; and did not attempt to induce action prejudicial to the interest of the City of Torrance, or of any other bidder, or anyone else interested in the proposed contract;
5. That the Contractor has not in any manner sought by collusion to secure for itself an advantage over any other bidder or to induce action prejudicial to the interests of the City of Torrance, or of any other bidder or of anyone else interested in the proposed contract;
6. That the Contractor has not accepted any bid from any subcontractor or materialman through any bid depository, the bylaws, rules or regulations of which prohibit or prevent the Contractor from considering any bid from any subcontractor or materialman, which is not processed through said bid depository, or which prevent any subcontractor or materialman from bidding to any contractor who does not use the facilities of or accept bids from or through such bid depository;

CONTRACTOR'S AFFIDAVIT (CONTINUED)

7. That the Contractor did not, directly or indirectly, submit the Contractor's bid price or any breakdown thereof, or the contents thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, or to any individual or group of Individuals, except to the City of Torrance, or to any person or persons who have a partnership or other financial interest with said Contractor in its business.

Dated this 13th day of MAY, 2006

Subscribed and Sworn to
before me this 13th day
of MAY, 2006.

Walter Spal
(Contractor)
Project Manager
(Title)

[Signature]
Notary Public in and for said
County and State.
(Seal)



BOND NO. CE0871

PREMIUM INCLUDED IN BBSU

BID BOND

B 2006-18

KNOW ALL MEN BY THESE PRESENTS: That we, ACTON CONTRACTORS, INC.
17144 S. BROADWAY GARDENA, CA 90248

as principal, and CONTRACTORS BONDING AND INSURANCE COMPANY

as sureties, are held and firmly bound unto the City of Torrance, State of California, in the penal sum of *TEN PERCENT OF dollars (\$ 100), for the payment whereof we hereby bind ourselves, our successors, heirs, executors or administrators jointly and severally, firmly by these presents.

*AMOUNT BID

The condition of this obligation is such that, whereas the above bonded principal is about to file with and submit to the City of Torrance a bid or proposal for the performance of certain work as required in the City of Torrance, Project No. B 2006-18, said work being:

Fabrication and Installation of a Mower Shed

and in compliance with the specifications therefore under an invitation of said City contained in a notice or advertisement for bids or proposals; now if the bid or proposal of the said principal shall be accepted and if the said work be thereupon awarded to the principal by said City and if the said principal shall enter into a contract with the said City in accordance with said bid or proposal, or if the bid or proposal of the said principal is rejected, then this bond shall be void and of no effect and otherwise in full force and effect.

WITNESS our hands this 16TH day of MAY, 2006

ACTON CONTRACTORS, INC.

Principal Jimmie Morison

CONTRACTORS BONDING AND INSURANCE COMPANY

Surety

BY: Wickie Spence

Surety

WICKIE SPENCE, ATTORNEY-IN-FACT

ALL-PURPOSE ACKNOWLEDGMENT

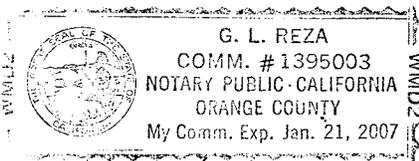
State of CALIFORNIA

County of ORANGE

On 5/16/06 before me, G.L. REZA, NOTARY PUBLIC,
Date Name, Title of Officer - e.g. "Jane Doe, Notary Public"

personally appeared VICKIE SPENCE,
Name(s) of Signer(s)

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



WITNESS my hand and official seal,

G. L. Reza
Signature of Notary

OPTIONAL

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

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- Individual(s)
- Corporate Officer(s)

Title(s)
- Partner(s) Limited
 General
- Attorney-in-Fact
- Trustee(s)
- Guardian/Conservator
- Other: _____

BOND

Title or Type of Document

1

Number of Pages

5/16/06

Date of Document

SIGNER IS REPRESENTING:

Name of persons or entity(ies)
CONTRACTORS BONDING AND
INSURANCE COMPANY

Signer(s) Other than Named Above



Limited Power of Attorney

Home Office:
1213 Valley Street
PO Box 9271
Seattle, WA 98109-0271
(206) 628-7200

KNOW ALL MEN BY THESE PRESENTS that CONTRACTORS BONDING AND INSURANCE COMPANY, a corporation duly organized and existing under the laws of the State of Washington, and having its principal office in Seattle, King County, Washington, does by these presents make, constitute and appoint VICKIE SPENCE, of Huntington Beach, California, its true and lawful Attorney-in-Fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver on behalf of the Company any and all bonds and undertakings of suretyship given for any purpose, provided, however, that no Attorney-in-Fact shall be authorized to execute and deliver any bond or undertaking that shall obligate the Company for any portion of the penal sum thereof in excess of \$6,000,000, and provided, further, that no Attorney-in-Fact shall have the authority to issue a bid or proposal bond for any project where, if a contract is awarded, any bond or undertaking would be required with a penal sum in excess of \$6,000,000; and to bind the Company thereby as fully and to the same extent as if such bonds were signed by the President, sealed with the corporate seal of the Company and duly attested by its Secretary; hereby ratifying and confirming all that the said Attorney-in-Fact may do in the premises. Said appointment is made under and by authority of the following resolutions adopted by the Board of Directors of the CONTRACTORS BONDING AND INSURANCE COMPANY on May 20, 2004:

RESOLVED that the President of the Company is authorized to appoint any person as the Company's true and lawful Attorney-in-Fact with power and authority to execute and deliver on behalf of the Company any and all bonds and undertakings of suretyship given for any purpose, subject to such limits as shall be determined by the President of the Company; provided, however, that no such person shall be authorized to execute and deliver any bond or undertaking that shall obligate the Company for any portion of the penal sum thereof in excess of \$10,000,000, and provided, further, that no Attorney-in-Fact shall have the authority to issue a bid or proposal bond for any project where, if a contract is awarded, any bond or undertaking would be required with penal sum in excess of \$10,000,000. Any Attorney-in-Fact authorized to execute a surety bond or undertaking may also be authorized to execute any consent or other documentation incidental to said bond or undertaking, provided such document does not obligate the Company in excess of the limit set forth above.

RESOLVED FURTHER that the authority of the Secretary of the Company to certify the authenticity and effectiveness of the foregoing resolution in any Limited Power of Attorney is hereby delegated to the following persons, the signature of any of the following to bind the Company with respect to the authenticity and effectiveness of the foregoing resolutions as if signed by the Secretary of the Company: Terry N. Thompson, Luther L. Hicks, William K. Barbour, Diana Hollingsworth, John T. Pieprzny, Mary Beth Kostyk, Rita A. Miller, Gregory P. Bruno, Dorothy Tarka, Michael J. McVey, Phyllis K. Jefferies, Will Finan, Wesley B. Hong, John D. Minto, Brian Schick, Eric Sirkin, Chris Reburn, Mark Noma, Wm. Blair Meixell, Julie A. Durkin, Yolanda Urrutia, Vickie Spence, Mike Castaneda and Maureen Saccio. Provided, however, that no such person shall have the authority to certify the authenticity of a resolution or Limited Power of Attorney document which serves to appoint himself as Attorney-in-Fact.

RESOLVED FURTHER that the signatures (including certification that the Power of Attorney is still in force and effect) of the President, Notary Public and person certifying authenticity and effectiveness, and the corporate and Notary seals appearing on any Limited Power of Attorney containing this and the foregoing resolutions as well as the Limited Power of Attorney itself and its transmission, may be by facsimile; and such Limited Power of Attorney shall be deemed an original in all aspects.

RESOLVED FURTHER that all resolutions adopted prior to today appointing the above named as Attorney-in-Fact for CONTRACTORS BONDING AND INSURANCE COMPANY are hereby superseded.

IN WITNESS WHEREOF, CONTRACTORS BONDING AND INSURANCE COMPANY has caused these presents to be signed by its President and its corporate seal to be hereto affixed this 24th day of January, 2006.

CONTRACTORS BONDING AND INSURANCE COMPANY

By: [Signature]
Don Sirkin, President



STATE OF WASHINGTON - COUNTY OF KING

On this 24th day of January, 2006, personally appeared DON SIRKIN, to me known to be the President of the corporation that executed the foregoing Limited Power of Attorney and acknowledged said Limited Power of Attorney to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said Limited Power of Attorney.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Brenda J. Scott



Notary Public in and for the State of Washington, residing at Seattle

The undersigned, acting under authority of the Board of Directors of CONTRACTORS BONDING AND INSURANCE COMPANY, hereby certifies, as or in lieu of the Secretary of CONTRACTORS BONDING AND INSURANCE COMPANY, that the above and foregoing is a full, true and correct copy of the Original Power of Attorney issued by said Company, and does hereby further certify that the said Power of Attorney is still in force and effect.

GIVEN under my hand at IRVINE, CA this 16TH day of MAY, 2006

[Signature]

LIST OF SUBCONTRACTORS

Page 1 of 2

The bidder is required to fill in the following blanks in accordance with the provisions of the Subletting and Subcontracting Fair Practices Act (Chapter 2 of Division 5, Title 1 of the Government Code of the State of California) and should familiarize itself with section 2-3 of the Standard Specifications for Public Works Construction.

Name Under Which Subcontractor is Licensed: Richard Gaunt

License Number: 321407

Address of Office, Mill or Shop: 2812 W. 232nd St., Torrance, CA 90505

Percentage of Total Contract 8%

Specific Description of Sub-Contract: Earthwork, excavation & grading

Name Under Which Subcontractor is Licensed: Hawthorne Paving Co.

License Number: 647402

Address of Office, Mill or Shop: 2424 W. 155th St., Gardena, CA 90249

Percentage of Total Contract 1%

Specific Description of Sub-Contract: Asphalt Paving Patch

Name Under Which Subcontractor is Licensed: Quality Custom Concrete Co.

License Number: 783091

Address of Office, Mill or Shop: 2114 North Salinas Ave., Los Angeles CA 900

Percentage of Total Contract 17%

Specific Description of Sub-Contract: Concrete & Masonry

Name Under Which Subcontractor is Licensed: F.J. Drywall.

License Number: 792716

Address of Office, Mill or Shop: 22138 S. Vermont Ave., Suite C., Torrance
CA 90502

Percentage of Total Contract 69%

Specific Description of Sub-Contract: Metal studs & Drywall
Prismi Designs & Services, Inc.

Name Under Which Subcontractor is Licensed: Prismi Designs & Services, Inc.

License Number: 517050

Address of Office, Mill or Shop: 4883 E. La Palma, Unit #504
Anaheim Hills, CA 92807

Percentage of Total Contract 4%

Specific Description of Sub-Contract: Epoxy Floor Coating

Name Under Which Subcontractor is Licensed: Prefab Builders, Inc.

License Number: 780533

Address of Office, Mill or Shop: P.O. Box 6339, Anaheim, CA 92816

Percentage of Total Contract 19%

Specific Description of Sub-Contract: Supply and install metal
building

Name Under Which Subcontractor is Licensed: Melroy Co., Inc.

License Number: 473762

Address of Office, Mill or Shop: 2813 W. 190th St.
Redondo Beach, CA 90278

Percentage of Total Contract 2%

Specific Description of Sub-Contract: _____

Subcontractors listed in accordance with the provisions of Section 2-3 must be properly licensed under the laws of the State of California for the type of work, which they are to perform. Do not list alternate subcontractors for the same work.

Page 1 of 2
REFERENCES

(Work similar in magnitude and degree of difficulty completed by Contractor within the past three (3) years.)

1. Name (Firm/Agency): Palos Verdes Pen. Unified School Dist.
 Address: 3801 Via La Selva, Palos Verdes Estates, CA 90274
 Contact Person: Matt Covella Telephone No.: 310 378-9966 x300
 Title of Project: District Wide Support Contract
 Project Location: Various School Sites
 Date of Completion 4/12/05 Contract Amount: \$ 295,232.00

2. Name (Firm/Agency): City of Torrance
 Address: 3031 Torrance Blvd., Torrance, CA 90503
 Contact Person: Tom Kelly Telephone No.: 310 781-7101
 Title of Project: Finance Dept. Renovation
 Project Location: 3031 Torrance Blvd., Torrance, CA 90503
 Date of Completion 10/14/05 Contract Amount: \$ 676,380.00

3. Name (Firm/Agency): City of Torrance
 Address: 3031 Torrance Blvd., Torrance, CA 90503
 Contact Person: Tom Kelly Telephone No.: 310 781-7101
 Title of Project: Joslyn Gallery Ext. Improvements
 Project Location: 3320 Civic Center Dr., Torrance, CA 90503
 Date of Completion 12/3/05 Contract Amount: \$ 345,440.00

4. Name (Firm/Agency): City of La Habra Heights
 Address: 1245 No. Hacienda Road, La Habra Heights, CA 90631
 Contact Person: Lara Klahejian Telephone No.: 562 694-6302
 Title of Project: Horse Announcers Booth Project
 Project Location: Announcers Booth at "The Park"
 Date of Completion 1/30/06 Contract Amount: \$ 123,362.00

REFERENCES

If Contractor has not performed work for the City of Torrance within the last five (5) years, list all work done within said five years (attach additional sheets if necessary). Note if work was done as subcontractor [include only subcontract amount]:

Work Description & Contract Amount	Agency	Date Completed

Contractor's License No.: 652535 Class: B, C10, C36

- a. Date first obtained: July 1987
- b. Has License ever been suspended or revoked? NO
If yes, describe when and why: _____
- c. Any current claims against License or Bond? NO
If yes, describe claims: _____

Type of entity (check one)

Incorporated Partnership Sole Proprietorship

If incorporated, in what state California

Federal Tax ID Number # 95-4118909

Principals in Company (List all - attach additional sheets if necessary):

<u>NAME</u>	<u>TITLE</u>	<u>LICENSE NO.</u> (If Applicable)
<u>Dennis Moreau</u>	<u>President</u>	_____
<u>Patricia Moreau</u>	<u>Vice Pres.</u>	_____
_____	_____	_____