

## A. CONTRACT AGREEMENT

This Construction Agreement (“Agreement”) is made and entered into as of the date executed by the City Manager and attested to by the City Clerk, by and between NEW POWER CONTRACTING FOR BUILDING MECHANICALS (hereinafter referred to as "CONTRACTOR") and the City of Hermosa Beach, California, a municipal corporation (hereinafter referred to as "CITY").

### RECITALS

- A. Pursuant to the Notice Inviting Sealed Bids for CIP NO. 630, COMMUNITY CENTER GAS LINE REPAIRS (“Project”), bids were received, publicly opened, and declared on the date specified in the notice; and
- B. On September 9, 2025, City’s City Council declared CONTRACTOR to be the lowest responsible Bidder and accepted the bid of CONTRACTOR; and
- C. The City Council has authorized the Mayor to execute a written Contract with CONTRACTOR for furnishing labor, equipment, and material for the CIP No. 630, COMMUNITY CENTER GAS LINE REPAIRS in the City of Hermosa Beach.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein contained, it is agreed:

- 1. GENERAL SCOPE OF WORK: CITY agrees to engage CONTRACTOR and CONTRACTOR agrees to furnish all necessary labor, tools, materials, appliances, and equipment for and do the work for the CIP NO. 630, COMMUNITY CENTER GAS LINE REPAIRS in the City of Hermosa Beach. The work shall be performed in accordance with the Plans and Specifications dated July 7, 2025, (the “Specifications”) on file in the office of the City Clerk and in accordance with bid prices set forth in CONTRACTOR’S Bid Proposal and in accordance with the instructions of the City Engineer.
- 2. INCORPORATED DOCUMENTS TO BE CONSIDERED COMPLEMENTARY: The Contract documents for the aforesaid project shall consist of the Notice Inviting Bids, Instructions to Bidders, Bid Proposal, Builders General Provisions, Standard Specifications for Public Works Construction 2024 edition, Special Provisions, Exhibit A, B, C, D, and all referenced specifications, details, standard drawings, and appendices; together with this Agreement and all required bonds, insurance certificates, permits, notices and affidavits; and also, including any and all addenda or supplemental agreements clarifying, amending, or extending the work contemplated as may be required to insure its completion in an acceptable manner. All of the provisions of said Contract documents are made a part hereof as though fully set forth herein. This Contract is intended to require a complete and finished piece of work and anything necessary to complete the work properly and in accordance with the law and lawful governmental regulations shall be performed by CONTRACTOR whether set out specifically in the Contract or not. Should it be ascertained that any inconsistency exists between the aforesaid documents and this written agreement, the provisions of this Agreement, the Builders General Provisions and the Standard

Specifications, in that order, shall control. Collectively, these Contract documents constitute the complete agreement between CITY and CONTRACTOR and supersede any previous agreements or understandings.

3. COMPENSATION: CONTRACTOR agrees to receive and accept the prices set forth in its Bid Proposal \$233,000 as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid Contract documents; and also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.
4. TIME OF PERFORMANCE: CONTRACTOR agrees to complete the work within 35 working days from the date of the notice to proceed. By signing this Agreement, CONTRACTOR represents to CITY that the Contract time is reasonable for completion of the work and that CONTRACTOR will complete such work within the Contract time.
5. LIQUIDATED DAMAGES: In accordance with Government Code section 53069.85, it is agreed that CONTRACTOR will pay to CITY the sum set forth in the Special Provisions for each and every calendar day of delay beyond the time prescribed in the Contract Documents for finishing the Work, as Liquidated Damages and not as a penalty or forfeiture. In the event this is not paid, CONTRACTOR agrees CITY may deduct that amount from any money due or that may become due CONTRACTOR under the Contract. This Article does not exclude recovery of other damages specified in the Contract Documents.
6. SUBSTITUTION OF SECURITIES: Pursuant to section 22300 of the Public Contract Code of the State of California, CONTRACTOR may request CITY to make retention payments directly to an escrow agent or may substitute securities for any money withheld by CITY to ensure performance under the Contract. At the request and expense of CONTRACTOR, securities equivalent to the amount withheld shall be deposited with CITY or with a state or federally chartered bank as the escrow agent who shall return such securities to CONTRACTOR upon satisfactory completion of the Contract. Deposit of securities with an escrow agent shall be subject to a written agreement substantially in the form provided in section 22300 of the Public Contract Code.
7. PREVAILING WAGES AND CALIFORNIA LABOR LAWS.

Pursuant to Labor Code §§ 1720 *et seq.*, and as specified in 8 California Code of Regulations § 16000 (“Prevailing Wage Laws”), CONTRACTOR must pay its workers prevailing wages. It is CONTRACTOR’s responsibility to interpret and implement any prevailing wage requirements, and CONTRACTOR agrees to pay any penalty or civil damages resulting from a violation of the prevailing wage laws. CONTRACTOR shall defend, indemnify and hold the CITY, its officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. CONTRACTOR and any

subcontractor shall forfeit a penalty of up to \$200 per calendar day or portion thereof for each worker paid less than the prevailing wage rates.

In accordance with Labor Code § 1773.2, copies of the prevailing rate of per diem wages are available upon request from CITY's Engineering Division or the website for State of California Prevailing wage determination at <http://www.dir.ca.gov/DLSR/PWD>. CONTRACTOR must post a copy of the prevailing rate of per diem wages at the job site.

CITY directs CONTRACTOR's attention to Labor Code §§ 1777.5, 1777.6 and 3098 concerning the employment of apprentices by CONTRACTOR or any subcontractor.

Labor Code § 1777.5 requires CONTRACTOR or subcontractor employing tradesmen in any apprenticeship occupation to apply to the joint apprenticeship committee nearest the site of the public works project and which administers the apprenticeship program in that trade for a certificate of approval. The certificate must also fix the ratio of apprentices to journeymen that will be used in the performance of the Contract. The ratio of apprentices to journeymen in such cases will not be less than one to five except:

When CONTRACTOR provides evidence that CONTRACTOR employs registered apprentices on all of his Contracts on an annual average of not less than one apprentice to five journeymen.

When unemployment in the area of coverage by the joint apprenticeship committee has exceeded an average of 15 percent in the 90 days before the request for certificate, or

When the number of apprentices in training in the area exceeds a ratio of one to five, or

When the trade can show that it is replacing at least 1/30 of its membership through apprenticeship training on an annual basis state-wide or locally, or

Assignment of an apprentice to any work performed under a public works Contract would create a condition that would jeopardize his or her life or the life, safety, or property of fellow employees or the public at large, or the specific task to which the apprentice is to be assigned is of a nature that training cannot be provided by a journeyman.

CONTRACTOR is required to make contributions to funds established for the administration of apprenticeship programs if CONTRACTOR employs registered apprentices or journeymen in any apprenticeable trade on such Contracts and if other Contractors on the public works site are making such contributions.

CONTRACTOR and any subcontractor must comply with Labor Code §§ 1777.5 and 1777.6 in the employment of apprentices.

Information relative to apprenticeship standards, wage schedules and other requirements may be obtained from the Director of Industrial Relations, ex-officio the Administrator of Apprenticeship, San Francisco, California, or from the Division of Apprenticeship Standards and its branch offices.

The CONTRACTOR or any subcontractor that is determined by the Labor Commissioner to have knowingly violated Section 1777.5 shall forfeit as a civil penalty an amount not exceeding \$100 for each full calendar day of noncompliance, or such greater amount as provided by law.

CONTRACTOR and each subcontractor shall keep an accurate payroll record, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with the public work. The payroll records shall be certified and shall be available for inspection at all reasonable hours at the principal office of CONTRACTOR in the manner provided in Labor Code section 1776. In the event of noncompliance with the requirements of this section, CONTRACTOR shall have 10 days in which to comply subsequent to receipt of written notice specifying in what respects such CONTRACTOR must comply with this section. Should noncompliance still be evident after such 10-day period, CONTRACTOR shall, as a penalty to CITY, forfeit not more than \$100.00 for each calendar day or portion thereof, for each worker, until strict compliance is effectuated. The amount of the forfeiture is to be determined by the Labor Commissioner. A Contractor who is found to have violated the provisions of law regarding wages on Public Works with the intent to defraud shall be ineligible to bid on Public Works Contracts for a period of one to three years as determined by the Labor Commissioner. Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, such penalties shall be withheld from progress payments then due. The responsibility for compliance with this section is on CONTRACTOR. The requirement to submit certified payroll records directly to the Labor Commissioner under Labor Code section 1771.4 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Section 1771.4.

Any ineligible Contractor or subcontractor pursuant to Labor Code Sections 1777.1 and 1777.7 may not perform work on this Project.

By executing this Contract, CONTRACTOR verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time, and shall require all subcontractors and sub-subcontractors to comply with the same.

8. LEGAL HOURS OF WORK: Eight (8) hours of labor shall constitute a legal day's work for all workmen employed in the execution of this Contract, and CONTRACTOR and any subcontractor under it shall comply with and be governed by the laws of the State of California having to do with working hours set forth in Division 2, Part 7, Chapter 1, Article 3 of the Labor Code of the State of California as amended.

CONTRACTOR shall forfeit, as a penalty to City, twenty-five dollars (\$25.00) for each laborer, workman or mechanic employed in the execution of the Contract, by him or any subcontractor under it, upon any of the work hereinbefore mentioned, for each calendar day during which the laborer, worker or mechanic is required or permitted to labor more than eight (8) hours in any one calendar day or 40 hours in any one calendar week in violation of the Labor Code.

9. PUBLIC WORKS CONTRACTOR REGISTRATION: Pursuant to Labor Code sections 1725.5 and 1771.1, all Contractors and subcontractors that wish to bid on, be listed in a bid proposal, or enter into a Contract to perform public work must be registered with the Department of Industrial Relations (DIR). No bid will be accepted nor any Contract entered into without proof of the Contractor's and subcontractors' current registration with the DIR to perform public work. Notwithstanding the foregoing, the Contractor registration requirements mandated by Labor Code Sections 1725.5 and 1771.1 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Sections 1725.5 and 1771.1.
10. LABOR COMPLIANCE AND STOP ORDERS: This Project is subject to compliance monitoring and enforcement by the DIR. It shall be CONTRACTOR's sole responsibility to evaluate and pay the cost of complying with all labor compliance requirements under this Contract and applicable law. Any stop orders issued by the DIR against CONTRACTOR or any subcontractor that affect CONTRACTOR's performance of Work, including any delay, shall be CONTRACTOR's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered CONTRACTOR caused delay subject to any applicable liquidated damages and shall not be compensable by the CITY. CONTRACTOR shall defend, indemnify and hold CITY, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the DIR against CONTRACTOR or any subcontractor.
11. DEBARMENT OF CONTRACTORS AND SUBCONTRACTORS: Contractors or subcontractors may not perform work on a public works project with a subcontractor who is ineligible to perform work on a public project pursuant to Labor Code section 1777.1 or 1777.7. Any Contract on a public works project entered into between a Contractor and a debarred subcontractor is void as a matter of law. A debarred subcontractor may not receive any public money for performing work as a subcontractor on a public works Contract. Any public money that is paid, or may have been paid to a debarred subcontractor by a Contractor on the Project shall be returned to the CITY. CONTRACTOR shall be responsible for the payment of wages to workers of a debarred subcontractor who has been allowed to work on the project.
12. LABOR/EMPLOYMENT SAFETY: CONTRACTOR shall comply with all applicable laws and regulations of the federal, state, and local government, including Cal/OSHA requirements and requirements for verification of employees' legal right to work in the United States

CONTRACTOR shall maintain emergency first aid treatment for its employees which complies with the Federal Occupational Safety and Health Act of 1970 (29 U.S.C. § 651 *et seq.*), and California Code of Regulations, Title 8, Industrial Relations Division 1, Department of Industrial Relations, Chapter 4. CONTRACTOR shall ensure the availability of emergency medical services for its employees in accordance with California Code of Regulations, Title 8, Section 1512.

CONTRACTOR shall submit the Illness and Injury Prevention Program and a Project site specific safety program to CITY prior to beginning Work at the Project site. CONTRACTOR shall maintain a confined space program that meets or exceeds the CITY Standards. CONTRACTOR shall adhere to CITY's lock out tag out program

13. TRAVEL AND SUBSISTENCE PAY: CONTRACTOR agrees to pay travel and subsistence pay to each worker needed to execute the work required by this Agreement as such travel and subsistence payments are defined in the applicable collective bargaining agreements filed in accordance with Labor Code Section 1773.8.
14. CONTRACTOR'S LIABILITY: The City of Hermosa Beach and its officers, agents and employees ("Indemnitees") shall not be answerable or accountable in any manner for any loss or damage that may happen to the work or any part thereof, or for any of the materials or other things used or employed in performing the work; or for injury or damage to any person or persons, either workers or employees of CONTRACTOR, of its subcontractors or the public, or for damage to adjoining or other property from any cause whatsoever arising out of or in connection with the performance of the work. CONTRACTOR shall be responsible for any damage or injury to any person or property resulting from defects or obstructions or from any cause whatsoever.

To the fullest extent permitted by law, CONTRACTOR will indemnify Indemnitees against and will hold and save Indemnitees harmless from any and all actions, claims, damages to persons or property, penalties, obligations or liabilities that may be asserted or claimed by any person, firm, entity, corporation, political subdivision, or other organization arising out of or in connection with the work, operation, or activities of CONTRACTOR, its agents, employees, subcontractors or invitees provided for herein, whether or not there is concurrent passive negligence on the part of City. In connection therewith:

a. CONTRACTOR will defend any action or actions filed in connection with any such claims, damages, penalties, obligations or liabilities and will pay all costs and expenses, including attorneys' fees, expert fees and costs incurred in connection therewith.

b. CONTRACTOR will promptly pay any judgment rendered against CONTRACTOR or Indemnitees covering such claims, damages, penalties, obligations and liabilities arising out of or in connection with such work, operations or activities of CONTRACTOR hereunder, and CONTRACTOR agrees to save and hold the Indemnitees harmless therefrom.

c. In the event Indemnitees are made a party to any action or proceeding filed or prosecuted against CONTRACTOR for damages or other claims arising out of or in connection with the work, operation or activities hereunder, CONTRACTOR agrees to pay to Indemnitees and any all costs and expenses incurred by Indemnitees in such action or proceeding together with reasonable attorneys' fees.

Contractor's obligations under this section apply regardless of whether or not such claim, charge, damage, demand, action, proceeding, loss, stop notice, cost, expense, judgment, civil fine or penalty, or liability was caused in part or contributed to by an Indemnitee. However, without affecting the rights of City under any provision of this agreement, to the extent required by Civil Code section 2782, Contractor shall not be required to indemnify and hold harmless City for liability attributable to the active negligence of City, provided such active negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In

instances where City is shown to have been actively negligent and where City active negligence accounts for only a percentage of the liability involved, the obligation of Contractor will be for that entire portion or percentage of liability not attributable to the active negligence of City.

So much of the money due to CONTRACTOR under and by virtue of the Contract as shall be considered necessary by City may be retained by City until disposition has been made of such actions or claims for damages as aforesaid.

It is expressly understood and agreed that the foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California. This indemnity provision shall survive the termination of the Agreement and is in addition to any other rights or remedies which Indemnitees may have under the law.

This indemnity is effective without reference to the existence or applicability of any insurance coverage which may have been required under this Agreement or any additional insured endorsements which may extend to Indemnitees.

CONTRACTOR, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees, while acting within the scope of their duties, from all claims, losses and liabilities arising out of or incident to activities or operations performed by or on behalf of the CONTRACTOR regardless of any prior, concurrent, or subsequent passive negligence by the Indemnitees.

15. THIRD PARTY CLAIMS. In accordance with Public Contract Code § 9201, CITY will promptly inform CONTRACTOR regarding third-party claims against CONTRACTOR, but in no event later than (14) calendar days after CITY receives such claims. Such notification will be in writing and forwarded in accordance with the "Notice" section of this Agreement. As more specifically detailed in the Contract documents, CONTRACTOR agrees to indemnify and defend the City against any third-party claim.
16. WORKERS COMPENSATION: In accordance with California Labor Code Sections 1860 and 3700, CONTRACTOR and each of its subcontractors will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, CONTRACTOR, by signing this Contract, certifies as follows: "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this Contract.
17. INSURANCE: CONTRACTOR shall procure and maintain for the duration of the Agreement, and for 1 year thereafter, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the CONTRACTOR, its agents, representatives, employees, or subcontractors.
  - a. Minimum Scope and Limit of Insurance. Coverage shall be at least as broad as:

- i. Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$5,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
  - ii. Automobile Liability: Insurance Services Office Form CA 0001 covering Code 1 (any auto), with limits no less than \$5,000,000 per accident for bodily injury and property damage.
  - iii. Workers’ Compensation insurance as required by the State of California, with Statutory Limits, and Employers’ Liability insurance with a limit of no less than \$1,000,000 per accident for bodily injury or disease.
  - iv. Builder’s Risk (Course of Construction) insurance utilizing an “All Risk” (Special Perils) coverage form, with limits equal to the completed value of the project and no coinsurance penalty provisions.
  - v. Professional Liability (if Design/Build), with limits no less than \$2,000,000 per occurrence or claim, and \$2,000,000 policy aggregate.
  - vi. Contractors’ Pollution Legal Liability and/or Asbestos Legal Liability and/or Errors and Omissions (if project involves environmental hazards) with limits no less than \$1,000,000 per occurrence or claim, and \$2,000,000 policy aggregate.
  - vii. If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the CITY requires and shall be entitled to the broader coverage and/or the higher limits maintained by CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the CITY.
- b. Self-Insured Retentions. Self-insured retentions must be declared to and approved by the CITY. At the option of the CITY, either: the CONTRACTOR shall obtain coverage to reduce or eliminate such self-insured retentions as respects the CITY, its officers, officials, employees, and volunteers; or the CONTRACTOR shall provide a financial guarantee satisfactory to the CITY guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or CITY.
  - c. Other Insurance Provisions. The insurance policies are to contain, or be endorsed to contain, the following provisions:
    - i. The CITY, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of the CONTRACTOR. General liability coverage can be provided in the form of an endorsement to the CONTRACTOR’s insurance (at least as broad as ISO Form CG 20 10, CG 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).

- ii. For any claims related to this project, the CONTRACTOR's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the CITY, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, or volunteers shall be excess of the CONTRACTOR's insurance and shall not contribute with it.
- iii. Each insurance policy required by this clause shall provide that coverage shall not be canceled, except with notice to the CITY.
- d. Builder's Risk (Course of Construction) Insurance.
  - i. CONTRACTOR may submit evidence of Builder's Risk insurance in the form of Course of Construction coverage. Such coverage shall name the CITY as a loss payee as their interest may appear.
  - ii. If the Project does not involve new or major reconstruction, at the option of the CITY, an Installation Floater may be acceptable. For such projects, a Property Installation Floater shall be obtained that provides for the improvement, remodel, modification, alteration, conversion or adjustment to existing buildings, structures, processes, machinery, and equipment. The Property Installation Floater shall provide property damage coverage for any building, structure, machinery or equipment damaged, impaired, broken, or destroyed during the performance of the Work, including during transit, installation, and testing at the CITY's site.
- e. Claims Made Policies. If any coverage required is written on a claims-made coverage form:
  - i. The retroactive date must be shown, and this date must be before the execution date of the Contract or the beginning of Contract work.
  - ii. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of Contract work.
  - iii. If coverage is cancelled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Contract effective, or start of work date, the CONTRACTOR must purchase extended reporting period coverage for a minimum of five (5) years after completion of Contract work.
  - iv. A copy of the claims reporting requirements must be submitted to the CITY for review.
  - v. If the services involve lead-based paint or asbestos identification/remediation, the Contractors Pollution Liability policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractors Pollution Liability policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.
- f. Acceptability of Insurers. Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best rating of no less than A: VII, unless otherwise acceptable to the CITY.

- g. **Waiver of Subrogation.** CONTRACTOR hereby agrees to waive rights of subrogation which any insurer of CONTRACTOR may acquire from CONTRACTOR by virtue of the payment of any loss. CONTRACTOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the CITY for all work performed by the CONTRACTOR, its employees, agents and subcontractors.
  - h. **Verification of Coverage.** CONTRACTOR shall furnish the CITY with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to CITY before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the CONTRACTOR's obligation to provide them. The CITY reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.
  - i. **Subcontractors.** CONTRACTOR shall require and verify that all subcontractors maintain insurance meeting all requirements stated herein, and CONTRACTOR shall ensure that CITY is an additional insured on insurance required from subcontractors. For CGL coverage, subcontractors shall provide coverage with a form at least as broad as CG 20 38 04 13.
  - j. **Special Risks or Circumstances.** CITY reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other circumstances.
18. **ASSIGNMENT:** This Contract is not assignable nor the performance of either party's duties delegable without the prior written consent of the other party. Any attempted or purported assignment or delegation of any of the rights or obligations of either party without the prior written consent of the other shall be void and of no force and effect.
19. **INDEPENDENT CONTRACTOR:** CONTRACTOR is and shall at all times remain as to the CITY, a wholly independent Contractor. Neither the CITY nor any of its agents shall have control of the conduct of CONTRACTOR or any of CONTRACTOR'S employees, except as herein set forth. CONTRACTOR shall 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 CITY.
20. **TAXES:** CONTRACTOR is responsible for paying all retail sales and use, transportation, export, import, special or other taxes and duties applicable to, and assessable against any work, materials, equipment, services, processes and operations incidental to or involved in this Contract. CONTRACTOR is responsible for ascertaining and arranging to pay them. The prices established in the Contract shall include compensation for any taxes CONTRACTOR is required to pay by laws and regulations in effect at the bid opening date.
21. **LICENSES:** CONTRACTOR represents and warrants to CITY that it has all licenses, permits, qualifications, insurance, and approvals of whatsoever nature which are legally required of CONTRACTOR to practice its profession. CONTRACTOR represents and warrants to CITY that CONTRACTOR shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, insurance, and approvals which are legally required

of CONTRACTOR to practice its profession. CONTRACTOR shall maintain a City of Hermosa Beach business license, if required under CITY ordinance.

Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against Contractors if a complaint regarding a patent act or omission is filed within five (5) years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within ten (10) years of the date of the alleged violation. Any questions concerning a Contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

22. RECORDS: CONTRACTOR shall maintain accounts and records, including personnel, property, and financial records, adequate to identify and account for all costs pertaining to this Agreement and such other records as may be deemed necessary by CITY or any authorized representative, and will be retained for four years after the expiration of this Agreement. All such records shall be made available for inspection or audit by CITY at any time during regular business hours.
23. SEVERABILITY. If any portion of these Contract documents are declared by a court of competent jurisdiction to be invalid or unenforceable, then such portion will be deemed modified to the extent necessary in the opinion of the court to render such portion enforceable and, as so modified, such portion and the balance of this Agreement will continue in full force and effect.
24. WHOLE AGREEMENT: This Agreement supersedes any and all other agreements either oral or written, between the parties and contains all of the covenants and agreements between the parties pertaining to the work of improvements described herein. Each party to this Contract acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement, statements or promise not contained in this Contract shall not be valid or binding. Any modifications of this Contract will be effective only if signed by the party to be charged.
25. AUTHORITY: CONTRACTOR affirms that the signatures, titles, and seals set forth hereinafter in execution of this Agreement represent all individuals, firm members, partners, joint ventures, and/or corporate officers having a principal interest herein. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party. This Agreement may be modified by written amendment. CITY's city manager may execute any such amendment on CITY's behalf.
26. NOTICES: All notices permitted or required under this Agreement shall be in writing, and shall be deemed made when delivered to the applicable party's representative as provided in this Agreement. Additionally, such notices may be given to the respective parties at the following addresses, or at such other addresses as the parties may provide in writing for this purpose. Such notices shall be deemed made when personally delivered or when mailed forty-eight (48) hours after deposit in the U.S. mail, first-class postage prepaid, and addressed to the party at its applicable address.

CITY OF HERMOSA BEACH  
1315 Valley Drive  
Hermosa Beach, CA 90254

Attention: John Oskoui, Project Manager

CONTRACTOR:

Attention: Salam Sabbagh

New Power Contracting For Building Mechanicals

27. DISPUTES. Effective January 1, 1991, Section 20104 et seq., of the California Public Contract Code prescribes a process utilizing informal conferences, non-binding judicial supervised mediation, and judicial arbitration to resolve disputes on construction claims of \$375,000 or less. Effective January 1, 2017, Section 9204 of the Public Contract Code prescribes a process for negotiation and mediation to resolve disputes on construction claims. The intent of this Section is to implement Sections 20104 et seq. and Section 9204 of the California Public Contract Code. This Section shall be construed to be consistent with said statutes.

Claims. For purposes of this Section, "Claim" means a separate demand by CONTRACTOR, after a change order duly requested in accordance with the terms of this Contract has been denied by the CITY, for (A) a time extension, (B) payment of money or damages arising from Work done by or on behalf of CONTRACTOR pursuant to the Contract, or (C) an amount the payment of which is disputed by the CITY. A "Claim" does not include any demand for payment for which CONTRACTOR has failed to provide notice, request a change order, or otherwise failed to follow any procedures contained in the Contract Documents. Claims governed by this Section may not be filed unless and until CONTRACTOR completes all procedures for giving notice of delay or change and for the requesting of a time extension or change order, including but not necessarily limited to the change order procedures contained herein, and CONTRACTOR's request for a change has been denied in whole or in part. Claims governed by this Section must be filed no later than fourteen (14) calendar days after a request for change has been denied in whole or in part or after any other event giving rise to the Claim. The Claim shall be submitted in writing to the CITY and shall include on its first page the following in 16 point capital font: "THIS IS A CLAIM." Furthermore, the claim shall include the documents necessary to substantiate the claim. Nothing in this Section is intended to extend the time limit or supersede notice requirements otherwise provided by Contract for the filing of claims, including all requirements pertaining to compensation or payment for extra Work, disputed Work, and/or changed conditions. Failure to follow such Contractual requirements shall bar any claims or subsequent lawsuits for compensation or payment thereon.

Supporting Documentation. The CONTRACTOR shall submit all claims in the following format:

Summary of claim merit and price, reference Contract Document provisions pursuant to which the claim is made

List of documents relating to claim:

Specifications  
Drawings  
Clarifications (Requests for Information)  
Schedules  
Other

Chronology of events and correspondence

Analysis of claim merit

Analysis of claim cost

Time impact analysis in CPM format

If CONTRACTOR's claim is based in whole or in part on an allegation of errors or omissions in the Drawings or Specifications for the Project, CONTRACTOR shall provide a summary of the percentage of the claim subject to design errors or omissions and shall obtain a certificate of merit in support of the claim of design errors and omissions.

Cover letter and certification of validity of the claim, including any claims from subcontractors of any tier, in accordance with Government Code section 12650 *et seq.*

City's Response. Upon receipt of a claim pursuant to this Section, CITY shall conduct a reasonable review of the claim and, within a period not to exceed 45 calendar days, shall provide CONTRACTOR a written statement identifying what portion of the claim is disputed and what portion is undisputed. Any payment due on an undisputed portion of the claim will be processed and made within 60 calendar days after the public entity issues its written statement.

If CITY needs approval from its governing body to provide the CONTRACTOR a written statement identifying the disputed portion and the undisputed portion of the claim, and the governing body does not meet within the 45 calendar days or within the mutually agreed to extension of time following receipt of a claim sent by registered mail or certified mail, return receipt requested, CITY shall have up to three calendar days following the next duly publicly noticed meeting of the governing body after the 45-day period, or extension, expires to provide CONTRACTOR a written statement identifying the disputed portion and the undisputed portion.

Within 30 calendar days of receipt of a claim, CITY may request in writing additional documentation supporting the claim or relating to defenses or claims CITY may have against the CONTRACTOR. If additional information is thereafter required, it shall be requested and provided pursuant to this subdivision, upon mutual agreement of CITY and the CONTRACTOR.

CITY's written response to the claim, as further documented, shall be submitted to CONTRACTOR within 30 calendar days (if the claim is less than \$50,000, within 15 calendar

days) after receipt of the further documentation, or within a period of time no greater than that taken by CONTRACTOR in producing the additional information or requested documentation, whichever is greater.

Meet and Confer. If the CONTRACTOR disputes CITY's written response, or CITY fails to respond within the time prescribed, the CONTRACTOR may so notify CITY, in writing, either within 15 calendar days of receipt of CITY's response or within 15 calendar days of CITY's failure to respond within the time prescribed, respectively, and demand an informal conference to meet and confer for settlement of the issues in dispute. Upon receipt of a demand, CITY shall schedule a meet and confer conference within 30 calendar days for settlement of the dispute.

Mediation. Within 14 calendar days following the conclusion of the meet and confer conference, if the claim or any portion of the claim remains in dispute, CITY shall provide the CONTRACTOR a written statement identifying the portion of the claim that remains in dispute and the portion that is undisputed. Any payment due on an undisputed portion of the claim shall be processed and made within 60 calendar days after CITY issues its written statement. Any disputed portion of the claim, as identified by CONTRACTOR in writing, shall be submitted to nonbinding mediation, with CITY and CONTRACTOR sharing the associated costs equally. CITY and CONTRACTOR shall mutually agree to a mediator within 14 calendar days after the disputed portion of the claim has been identified in writing unless the parties agree to select a mediator at a later time.

If the Parties cannot agree upon a mediator, each Party shall select a mediator and those mediators shall select a qualified neutral third party to mediate with regard to the disputed portion of the claim. Each Party shall bear the fees and costs charged by its respective mediator in connection with the selection of the neutral mediator.

For purposes of this section, mediation includes any nonbinding process, including, but not limited to, neutral evaluation or a dispute review board, in which an independent third party or board assists the Parties in dispute resolution through negotiation or by issuance of an evaluation. Any mediation utilized shall conform to the timeframes in this section.

Unless otherwise agreed to by CITY and CONTRACTOR in writing, the mediation conducted pursuant to this section shall excuse any further obligation under Section 20104.4 to mediate after litigation has been commenced.

The mediation shall be held no earlier than the date CONTRACTOR completes the Work or the date that CONTRACTOR last performs Work, whichever is earlier. All unresolved claims shall be considered jointly in a single mediation unless a new unrelated claim arises after mediation is completed.

Procedures After Mediation. If following the mediation, the claim or any portion remains in dispute, CONTRACTOR must file a claim pursuant to Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code. For purposes of those provisions, the running of the period of time within which a claim must be filed shall be tolled from the time CONTRACTOR submits his or her written claim pursuant to subdivision (a) until the time the claim is denied, including any period of time utilized by the meet and confer conference or mediation.

Civil Actions. The following procedures are established for all civil actions filed to resolve claims subject to this Section:

Within 60 calendar days, but no earlier than 30 calendar days, following the filing or responsive pleadings, the court shall submit the matter to non-binding mediation unless waived by mutual stipulation of both parties or unless mediation was held prior to commencement of the action in accordance with Public Contract Code section 9204 and the terms of these procedures.. The mediation process shall provide for the selection within 15 calendar days by both parties of a disinterested third person as mediator, shall be commenced within 30 calendar days of the submittal, and shall be concluded within 15 calendar days from the commencement of the mediation unless a time requirement is extended upon a good cause showing to the court.

If the matter remains in dispute, the case shall be submitted to judicial arbitration pursuant to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, notwithstanding Section 1114.11 of that code. The Civil Discovery Act of 1986 (Article 3 (commencing with Section 2016) of Chapter 3 of Title 3 of Part 4 of the Code of Civil Procedure) shall apply to any proceeding brought under this subdivision consistent with the rules pertaining to judicial arbitration.

In addition to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, (A) arbitrators shall, when possible, be experienced in construction law, and (B) any party appealing an arbitration award who does not obtain a more favorable judgment shall, in addition to payment of costs and fees under that chapter, also pay the attorney's fees on appeal of the other party.

Government Code Claims. In addition to any and all Contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, CONTRACTOR must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the CITY. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by CONTRACTOR. If no such Government Code claim is submitted, or if any prerequisite Contractual requirements are not otherwise satisfied as specified herein, CONTRACTOR shall be barred from bringing and maintaining a valid lawsuit against the CITY. A Government Code claim must be filed no earlier than the date the work is completed or the date CONTRACTOR last performs work on the Project, whichever occurs first. A Government Code claim shall be inclusive of all unresolved claims unless a new unrelated claim arises after the Government Code claim is submitted.

Non-Waiver. CITY's failure to respond to a claim from CONTRACTOR within the time periods described in this Section or to otherwise meet the time requirements of this Section shall result in the claim being deemed rejected in its entirety. CITY's failure to respond shall not waive CITY's rights to any subsequent procedures for the resolution of disputed claims.

24. NON-DISCRIMINATION: Contractor represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal

Constitutions. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. A violation of this section exposes CONTRACTOR to the penalties provided for in Labor Code Section 1735.

25. TERMINATION: This Contract may be terminated by CITY at any time, either with or without cause, by giving CONTRACTOR three (3) calendar days advance written notice. In the event of termination by CITY for any reason other than the fault of CONTRACTOR, CITY shall pay CONTRACTOR for all Work performed up to that time as provided herein. In the event of breach of the Contract by Contractor, CITY may terminate the Contract immediately without notice, may reduce payment to CONTRACTOR in the amount necessary to offset CITY's resulting damages, and may pursue any other available recourse against CONTRACTOR. CONTRACTOR may not terminate this Contract except for cause. In the event this Contract is terminated in whole or in part as provided, CITY may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated. Further, if this Contract is terminated as provided, CITY may require CONTRACTOR to provide all finished or unfinished documents, data, diagrams, drawings, materials or other matter prepared or built by CONTRACTOR in connection with its performance of this Contract.
26. ANTI-TRUST CLAIMS: This provision shall be operative if this Contract Agreement is applicable to California Public Contract Code Section 7103.5. In entering into this Contract Agreement to supply goods, services or materials, Contractor hereby offers and agrees to assign to the Agency all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2, commencing with Section 16700, of Part 2 of Division 7 of the Business and Professions Code) arising from purchases of goods, services, or materials pursuant to the Contract Agreement. This assignment shall be made and become effective at the time the Agency tender final payment to Contractor, without further acknowledgment by the Parties.
27. NO THIRD-PARTY BENEFICIARY. This Contract and every provision herein are for the exclusive benefit of the Contractor and the City and not for the benefit of any other party. There will be no incidental or other beneficiaries of any of the Contractor's or the City's obligations under this Contract.
28. TIME IS OF ESSENCE. Time is of the essence for each and every provision of the Contract Documents.
29. FORCE MAJEURE. If CONTRACTOR is delayed in the performance or progress of the work by a Force Majeure Event, then the CONTRACTOR shall be entitled to a time extension, as provided in the Contract documents, when the work stopped is on the critical path and shall not be charged liquidated damages. Such a non-compensable adjustment shall be CONTRACTOR's sole and exclusive remedy for such delays and the CONTRACTOR will not receive an adjustment to the Contract price or any other compensation. Contractor must submit a timely request in accordance with the requirements of the Contract documents. A Force Majeure Event shall mean an event that materially affects a party's performance and is one or more of the following: (1) Acts of God or other natural disasters occurring at the project site; (2) terrorism or other acts of a public enemy; (3) orders of governmental authorities (including, without limitation, unreasonable and

unforeseeable delay in the issuance of permits or approvals by governmental authorities that are required for the work); (4) pandemics, epidemics or quarantine restrictions; and (5) strikes and other organized labor action occurring at the project site and the effects thereof on the work, only to the extent such strikes and other organized labor action are beyond the control of CONTRACTOR and its subcontractors, of every tier, and to the extent the effects thereof cannot be avoided by use of replacement workers. For purposes of this section, "orders of governmental authorities," includes ordinances, emergency proclamations and orders, rules to protect the public health, welfare and safety, and other actions of the City in its capacity as a municipal authority.

- 30. PROVISIONS REQUIRED BY LAW AND CONTRACTOR COMPLIANCE. Each and every provision of law required to be included in these Contract Documents shall be deemed to be included in these Contract Documents. The Contractor shall comply with all requirements of applicable federal, state and local laws, rules and regulations, including, but not limited to, the provisions of the California Labor Code and California Public Contract Code which are applicable to this Work.
- 31. ACCEPTANCE OF FACSIMILE SIGNATURES. The Parties agree that this Contract, agreements ancillary to this Contract, and related documents to be entered into in connection with this Contract will be considered signed when the signature of a party is delivered by facsimile transmission. Such facsimile signature will be treated in all respects as having the same effect as an original signature.
- 32. GOVERNING LAW: This Agreement shall be governed by the laws of the State of California, and exclusive venue for any action involving this Contract will be in Los Angeles County.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement with all the formalities required by law on the respective dates set forth opposite their signatures.

State of California  
CONTRACTOR'S License No. 1100150

CONTRACTOR

New Power Contracting for Building Mechanicals

363 Carelton Ave Claremont CA, 91711

10/16/2025  
Date

DocuSigned by:  
By: Salam Sabbagh  
TITLE

CITY OF HERMOSA BEACH, CALIFORNIA

10/16/2025  
Date

Signed by:  
By: Steve Napolitano  
Steve Napolitano, Interim City Manager

ATTEST:

10/16/2025  
Date

Signed by:  
By: Myra Maravilla  
Myra Maravilla, City Clerk

CONTRACTOR'S Business Phone 1 8187399196

Emergency Phone at which CONTRACTOR can be reached at any time: (1) 0000000

APPROVED AS TO FORM:

Signed by:  
Jason Baltimore  
James Baltimore, Interim City Attorney

10/16/2025  
Date

**IV. BID DOCUMENTS**

**A. PROPOSAL**

**CIP NO. 630  
COMMUNITY CENTER GAS LINE REPAIRS**

CONTRACTOR: New Power Contracting For Building Mechanicals Date: August 12, 2025

TO: City of Hermosa Beach  
Acting Pursuant to Authority Delegated by the City Council  
Hermosa Beach, California, 90254

Ladies and Gentlemen:

The undersigned declares that he/she has carefully examined the location of the proposed work and that he/she has examined the Plans and Specifications, has read the Contract Documents, and hereby agrees to furnish all labor, materials, equipment, tools, transportation, and services to do all work required for:

**CIP NO. 630  
COMMUNITY CENTER GAS LINE REPAIRS**

In accordance with the Plans and Specifications prepared by the Engineer, in accordance with the Special Provisions, the Contract Documents, and in accordance with the Standard Specifications for Public Works Construction 2021, Unified Building Code for Construction (current edition) (except Sections 1-9), and the requirements of the Engineer under said documents, for the prices shown herein.

**The Contractor also certifies that he/she is registered with the Department of Industrial Relations.**

**All work shall be completed within 35 working days from the date the Notice to Proceed is issued by the Engineer.**

  
2025.07.30  
20:34:16 -07'00'  
\_\_\_\_\_  
Contractor Signature

1001013268  
PWCR Registration Number

**B. BID SCHEDULE**

**CIP NO. 630  
COMMUNITY CENTER GAS LINE REPAIRS**

| Item No. | Estimated Quantity | Unit | Description of Work   | Unit Price | Total      |
|----------|--------------------|------|---|------------|------------|
| 1        | 1                  | LS   | Mobilization<br>(Not to exceed 5% of the total base bid amount)   | \$5,000.00 | \$5,000.00 |
| 2        | 1                  | LS   | Provide labor, material, tools, equipment and all necessary incidentals to complete replacement of gas piping in the City of Hermosa Beach Community Center Building per plans and specifications | \$228,000  | \$228,000  |

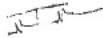
TOTAL BASE BID IN FIGURES \$233,000.00

TOTAL BASE BID IN WORDS Two Hundred and Thirty Three Thousand USD

Contractor Name: New Power Contracting For Building Mechanicals

In case of any discrepancy between the words and the figures, the words shall prevail. If the unit price and the total amount for any item are not in agreement, the unit price alone shall be considered to represent the Bidder's intention, and all totals will be corrected to conform thereto. Attached hereto is cash, a certified check, a cashier's check, or a Bidder's bond in the amount of

10% Dollars, said amount being not less than ten (10) percent of the amount bid. It is agreed a portion equal to the difference between the low bid and second low bid shall be retained as liquidated damages by the City if the undersigned fails or refuses to execute the Contract and furnish the required bonds and certificates of insurance within the time provided.

Contractor Signature:  2025.08.12 10:42:00 -07'00'

PW Registration #: 1001013268

State License #: 1100150

Contractor Company Name: New Power Contracting For Building Mechanicals

**C. BID BOND**

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, New Power Contracting for Building Mechanicals, (hereinafter referred to as "Contractor") intends to submit a bid to the City of Hermosa Beach, California, a Municipal Corporation, for the performance of certain work as required in the City of Hermosa Beach CIP NO. 630 said work being: **CIP NO. 630 COMMUNITY CENTER GAS LINE REPAIRS** as shown in this specification, and in compliance with the specifications therefore under an invitation of said City contained in a notice or advertisement for bids or proposals.

NOW, THEREFORE, we, the Contractor, as Principal, and Merchants National Indemnity Company a corporation organized and existing under the laws of the State of Iowa, duly authorized to transact business under the laws of the State of California as Surety, are held and firmly bound unto the City of Hermosa Beach, as Obligee, in the sum of Ten Percent of the Total Bid Amount Dollars (\$ 10%) lawful money of the United States of America, said sum being not less than ten percent (10%) of the bid amount for the payment of which sum well and truly to be made, the said Principal, and said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT: If the bid of the said Principal is rejected by the said Obligee; or if the said Obligee shall accept the bid of the said Principal and said Principal shall enter into an Agreement with said Obligee in accordance with the terms of the bid, and shall give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Agreement and for the prompt payment of labor and material furnished in the prosecution thereof; or in the event of the failure of said Principal to enter such Agreement and give such bond or bonds, if said Principal shall pay to said Obligee the difference not to exceed the penalty thereof between the amount specified in said bid and such larger amount for which said Obligee may in good faith Contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. In case suit is brought upon this bond, the court shall fix and award and the surety shall pay, in addition to the face amount hereof, costs and reasonable attorney's fees incurred by the City of Hermosa Beach in successfully enforcing said obligation.

IN WITNESS THEREOF, we have hereunto, set our hands and seals this 30th day of July, 2025.

\_\_\_\_\_  
Principal  
By \_\_\_\_\_

Title \_\_\_\_\_

**Merchants National Indemnity Company**

**Surety**

By Richard Ford

**Richard Ford, Attorney-in-Fact**

Title \_\_\_\_\_

# CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

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

State of California

County of San Diego

On 07/30/25 before me, Bethany Mercer, Notary Public  
(Here insert name and title of the officer)

personally appeared Richard Ford

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

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

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)



## ADDITIONAL OPTIONAL INFORMATION

### INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he/she/they~~ is /are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ◆ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ◆ Indicate title or type of attached document, number of pages and date.
  - ◆ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

### DESCRIPTION OF THE ATTACHED DOCUMENT

Bid Bond

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages 2 Document Date 07/30/25

(Additional information)

### CAPACITY CLAIMED BY THE SIGNER

- Individual (s)
- Corporate Officer

(Title)

- Partner(s)
- Attorney-in-Fact
- Trustee(s)
- Other \_\_\_\_\_

# MERCHANTS BONDING COMPANY, INC. POWER OF ATTORNEY

Know All Persons By These Presents, that MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., both being corporations of the State of Iowa, d/b/a Merchants National Indemnity Company (in California only) (herein collectively called the "Companies") do hereby make, constitute and appoint, individually,

Christopher Walters; Rich Lemon; Richard Ford

their true and lawful Attorney(s)-in-Fact, to sign its name as surety(ies) and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

This Power-of-Attorney is granted and is signed and sealed by facsimile under and by authority of the following By-Laws adopted by the Board of Directors of Merchants Bonding Company (Mutual) on April 23, 2011 and amended August 14, 2015 and April 27, 2024 and adopted by the Board of Directors of Merchants National Bonding, Inc., on October 16, 2015 and amended on April 27, 2024.

"The President, Secretary, Treasurer, or any Assistant Treasurer or any Assistant Secretary or any Vice President shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof."

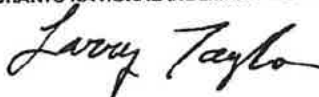
"The signature of any authorized officer and the seal of the Company may be affixed by facsimile or electronic transmission to any Power of Attorney or Certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually fixed."

In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.

In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner-Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

In Witness Whereof, the Companies have caused this instrument to be signed and sealed this 17th day of September, 2024

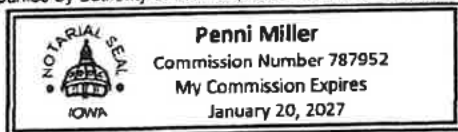
MERCHANTS BONDING COMPANY (MUTUAL)  
MERCHANTS NATIONAL BONDING, INC.  
d/b/a MERCHANTS NATIONAL INDEMNITY COMPANY

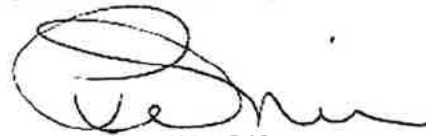
By   
President



STATE OF IOWA  
COUNTY OF DALLAS ss.

On this 17th day of September, 2024, before me appeared Larry Taylor, to me personally known, who being by me duly sworn did say that he is President of MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., and that the seals affixed to the foregoing instrument are the Corporate Seals of the Companies; and that the said instrument was signed and sealed in behalf of the Companies by authority of their respective Boards of Directors.



  
Notary Public

(Expiration of notary's commission does not invalidate this instrument)

I, Elisabeth Sandersfeld, Secretary of MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., do hereby certify that the above and foregoing is a true and correct copy of the POWER-OF-ATTORNEY executed by said Companies, which is still in full force and effect and has not been amended or revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Companies on this 30<sup>th</sup> day of July, 2025



  
Secretary

**D. BIDDER'S ASSURANCE**

**CIP NO. 630  
COMMUNITY CENTER GAS LINE REPAIRS**

FROM:

Name of Bidder: New Power Contracting For Building Mechanicals  
Business Address: 21021 Vanowen Street Unit D204  
Canoga Park CA, 91303  
Telephone No: 8187399196

TO:

Acting Pursuant to Authority Delegated by the City Council  
c/o City Hall  
City of Hermosa Beach, California

Acting Pursuant to Authority Delegated by the City Council :

Pursuant to your published Notice Inviting Bids for: **CIP NO. 630 COMMUNITY CENTER GAS LINE REPAIRS**

The undersigned declares that he/she has carefully examined the location of the proposed work; that he/she has carefully examined the Plans and Specifications, and read the accompanying Instructions to Bidders and hereby proposes to furnish all materials, machinery, tools, labor, and services and do all the work necessary to complete the project in accordance with said Plans and Specifications and other Contract Documents at the item prices on the Bid Schedule.

BY: Salam Sabbagh TITLE: CEO

## **E. BIDDER'S DECLARATION**

### **CIP NO. 630 COMMUNITY CENTER GAS LINE REPAIRS**

It is understood and agreed that:

1. The undersigned has carefully examined all documents which will form a part of the Contract; namely, the Notice Inviting Bids, the Instructions to Bidders, this Proposal, the Bid Bond, the Contract, the Faithful Performance Bond, Warranty Bond, the Payment Bond, the federal requirements, if any, the Plans and Specifications, the Special Provisions, and the Technical Provisions.

2. The undersigned has, by investigation at the site of the work and otherwise, satisfied himself as to the nature and location of the work and fully informed himself as to all conditions and matters, which can in any way affect the work or the cost thereof.

3. The undersigned fully understands the scope of work and has checked carefully all words and figures inserted in this Proposal and he further understands that the City will not be responsible for any errors or omissions in the preparation of the Proposal.

4. The undersigned agrees and acknowledges that he is aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and that the undersigned will comply with such provisions before commencing the performance of the Contract if it is awarded to the undersigned.

The undersigned will execute the Contract and furnish the required statutory bonds and certificates of insurance within the period of time specified in the Contract Documents.

The undersigned will begin work after award of Contract and a Notice to Proceed has been given as herein specified and will complete said work within the time specified in the Bidding Documents.

5. The undersigned certifies that this Proposal is genuine and not sham or collusive, or made in the interest or on behalf of a person not herein named, and the undersigned has not directly or indirectly induced or solicited any other Bidder to put in a sham bid nor induced any other person, firm, or corporation to refrain from bidding.

6. The undersigned will accept an award and enter into a Contract for all work scheduled herein on which he puts in a bid. The awards for such work are to be entirely at the discretion of the Owner after evaluation of the bids as submitted. The undersigned agrees that the Owner shall recover or retain as liquidated damages an amount equal to the difference between the low bid and amount of the bid of the Bidder with whom the City enters into a Contract, and the surplus, if any, shall be returned to the lowest Bidder in accordance with the provisions of the Public Contract Code section 20174 in the event of his failure to execute a Contract and furnish required bonds and insurance therefor within the time provided.

7. This bid will not be withdrawn within a period of ninety (90) days after the date of its



**F. CERTIFICATE OF NON-DISCRIMINATION BY CONTRACTORS**

**CIP NO. 630  
COMMUNITY CENTER GAS LINE REPAIRS**

As suppliers of goods or services to the City, the firm listed below certifies that it does not discriminate in its employment with regard to race, color, religion, sex, or national origin; that it is in compliance with all applicable federal, state, and local directives, and executive orders regarding non-discrimination in employment; and that it agrees to pursue positively and aggressively the principle of equal opportunity in employment.

We agree specifically:

1. To establish or observe employment policies which affirmatively promote opportunities for minority persons at all job levels.
2. To communicate this policy to all persons concerned, including all company employees, outside recruiting services, especially those serving minority communities, and to the minority communities at large.
3. To take affirmative steps to hire minority employees within the company.

FIRM New Power Contracting For Building Mechanicals

TITLE OF PERSON SIGNING Owner

SIGNATURE  2025.08.12 08:47:14 -07'00'

DATE August 12, 2025

Please include any additional information available regarding equal opportunity employment programs now in effect within your company:

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**G. CERTIFICATION OF PRINCIPAL  
CIP NO. 630  
COMMUNITY CENTER GAS LINE REPAIRS**

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this Contract. (Section 1861, Labor Code.)



2025.08.12  
08:48:14 -07'00'

Signature: \_\_\_\_\_

Name: \_\_\_\_\_ Salam Sabbagh

Title: \_\_\_\_\_ Owner

Name of Company: \_\_\_\_\_ New Power Contracting For Building Mechanicals

**H. DECLARATION OF ELIGIBILITY TO CONTRACT**  
**[Labor Code Section 1777.1; Public Contract Code Section 6109]**

**CIP NO. 630**  
**COMMUNITY CENTER GAS LINE REPAIRS**

The undersigned, a duly authorized representative of the Contractor, certifies and declares that:

1. The undersigned Contractor is aware of Section 1771.1 and 1777.7 of the California Labor Code, which prohibit a Contractor or subcontractor who has been found by the Labor Commissioner or the Director of Industrial Relations to be in violation of certain provisions of the Labor Code, from bidding on, being awarded, or performing work as a subcontractor on a public works project for specified periods of time.

2. The undersigned Contractor is not ineligible to bid on, be awarded or perform work as a subcontractor on a public works project by virtue of the foregoing provisions of Sections 1771.1 or 1777.7 of the California Labor Code or any other provision of law.

3. The undersigned Contractor is aware of California Public Contract Code Section 6109, which states:

“(a) A public entity, as defined in Section 1100 [of the Public Contract Code], may not permit a Contractor or subcontractor who is ineligible to bid or work on, or be awarded, a public works project pursuant to Section 1777.1 or 1777.7 of the Labor Code to bid on, be awarded, or perform work as a subcontractor on, a public works project. Every public works project shall contain a provision prohibiting a Contractor from performing work on a public works project with a subcontractor who is ineligible to perform work on the public works project pursuant to Section 1771.1 or 1777.7 of the Labor Code.”

“(b) Any Contract on a public works project entered into between a Contractor and a debarred subcontractor is void as a matter of law. A debarred subcontractor may not receive any public money for performing work as a subcontractor on a public works Contract, and any public money that may have been paid to a debarred subcontractor by a Contractor on the project shall be returned to the awarding body. The Contractor shall be responsible for the payment of wages to workers of a debarred subcontractor who has been allowed to work on the project.”

4. The undersigned Contractor has investigated the eligibility of each and every subcontractor the undersigned Contractor intends to use on this public works project, and determined that none of them is ineligible to perform work as a subcontractor on a public works project by virtue of the foregoing provisions of the Public Contract Code, Sections 1771.1 or 1777.7 of the Labor Code, or any other provision of law.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this \_\_\_\_\_ Declaration \_\_\_\_\_ day of \_\_\_\_\_  
August 4, 2025, at Los Angeles (place of execution),  
California.



2025.07.30  
11:33:39 -07'00'

Signature: \_\_\_\_\_  
Name: Salam Sabbagh

Title: \_\_\_\_\_ Owner \_\_\_\_\_  
Name of Company: New Power Contracting For Building Mechanicals

**I. NON-COLLUSION DECLARATION**

**CIP NO. 630  
COMMUNITY CENTER GAS LINE REPAIRS**

The undersigned declares:

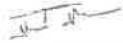
I am the Owner of New Power Contracting For Building Mechanicals, the party making the foregoing Bid.

The Bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The Bid is genuine and not collusive or sham. The Bidder has not directly or indirectly induced or solicited any other Bidder to put in a false or sham bid. The Bidder has not directly or indirectly colluded, conspired, connived, or agreed with any Bidder or anyone else to put in a sham bid, or to refrain from bidding. The Bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the Bid Price of the Bidder or any other Bidder, or to fix any overhead, profit, or cost element of the Bid Price, or of that of any other Bidder. All statements contained in the Bid are true. The Bidder has not, directly or indirectly, submitted his or her Bid Price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a Bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the Bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on August 4, 2025 [date], at Canoga Park [city], California [state].

Salam Sabbagh  
NAME OF BIDDER

 2025.07.30  
11:47:47 -07'00'  
SIGNATURE OF BIDDER

21021 Vanowen Street Unit D204  
ADDRESS OF BIDDER

Canoga Park, California 90303  
CITY STATE ZIP

**J. REFERENCES OF WORK**

**CIP NO. 630  
COMMUNITY CENTER GAS LINE REPAIRS**

**Provide names, addresses, phone numbers and email addresses for at least three public agencies for which Bidder has performed similar work within the past five years.**

**All contact information must be current.**

1. CALIFORNIA STATE UNIVERSITY NORTHRIDGE 18111 Nordhoff St., Northridge, CA 91330

Name and Address of Public Agency

Mr. Ceicil Rucker/8186775311

Name and Telephone Number of Public Agency's Project Manager

Removal and Installation of Eighty-Eight (88) Gas Tankless Domestic Hot Water Heaters  
at CSUN RFP 2322

Name and Detailed Description of Project

\$618,000.00

August , 30, 2024

Original Contract Amount

Original Date of Completion

\$788,000.00

September 30, 2024

Final Contract Amount

Final Date of Completion

Number of Change Orders Two

2. City of Needles 817 Third Street, Needles, CA 92363

Name and Address of Public Agency

Ms. Kathy Raash (760) 3265700

Name and Telephone Number of Public Agency's Project Manager

Public Restroom Sewer Plumbing Replacment

Name and Detailed Description of Project

24,750.00 \$

October 22, 2023

Original Contract Amount

Original Date of Completion

29,000.00 \$

October 22, 2023

Final Contract Amount

Final Date of Completion

Number of Change Orders One

3. MUPU Elementary School District North Ojai Road Santa Paula 4410

Name and Address of Public Agency

Mr. Orlando Delon 8059109438

Name and Telephone Number of Public Agency's Project Manager

Pipe Line Plumbing Project, Carbon Steel Fire Water and Ductile Iron Potable Water

Name and Detailed Description of Project

\$ 97,546.00

September 15, 2023

Original Contract Amount

Original Date of Completion

\$ 100,046.00

September 15, 2023

Final Contract Amount

Final Date of Completion

Number of Change Orders One

For additional References, please add separate sheets.

NAME OF BIDDER Salam Sabbagh

2025.07.30  
13:13:09  
-07'00'

SIGNATURE OF BIDDER

DATE August 12, 2025

**K. SUBCONTRACTORS LIST**

**CIP NO. 630  
COMMUNITY CENTER GAS LINE REPAIRS**

In compliance with the "Subletting and Subcontracting Fair Practices Act" being Sections 4100-4113 of the Government Code of the State of California, and any amendments thereto, each Bidder shall set forth below: (a) the name and location of the place of business, (b) the California Contractor license number, (c) the DIR public works Contractor registration number unless exempt pursuant to Labor Code Sections 1725.5 and 1771.1, and (d) the portion of the work which will be done by each subcontractor who will perform work or labor or render service to the prime Contractor in or about the construction of the work or improvement in an amount in excess of one-half (1/2) of one percent (1%) of the prime Contractor's total bid, and shall further set forth the portion of the work which will be done by each subcontractor. Only one subcontractor for each such portion shall be listed.

Notwithstanding the foregoing, if the work involves the construction of streets and highways, then the Bidder shall list each subcontractor who will perform work or labor or render service to the Bidder in or about the work in an amount in excess of one-half of one percent (0.5%) of the Bidder's Total Bid Price or \$10,000, whichever is greater. No additional time shall be granted to provide the below requested information.

If the Contractor fails to specify a subcontractor for any portion of the work to be performed under the Contract, he shall be deemed to have agreed to perform such portion himself, and he shall not be permitted to subcontract that portion of the work except under the conditions hereinafter set forth.

Subletting or subcontracting of any portion of the work to which subcontractor was designated in the original bid shall only be permitted in cases of public emergency or necessity, and then only after a finding reduced to writing as a public record of the legislative body of the Owner.

**We propose to use the following listed subcontractors as per Public Contract Code Section 4100 et seq.: List all Subcontractors. The subcontractor shall be licensed for the type of work they are performing.**

|  |  |
|--|--|
| <b>Sub-Contractors Name:</b><br>Troy Roofing Inc                       | <b>Address:</b><br>1066E. Edna Pl<br>Covina, CA 91724            |
| <b>Description of Work:</b><br>Roof Drilling and Water Proofing        |  |
| <b>CSLB Contractor License No.</b><br>1035092                      C39 | <b>DIR Registration No.</b><br>2000013990                        |
| <b>Phone No.</b><br>6265433063   | <b>Dollar Amount of Work &amp; % of Work</b><br>\$9,000.00    4% |

|                                    |  |
|------------------------------------|--|
| <b>Sub-Contractors Name:</b>       | <b>Address:</b>                              |
| <b>Description of Work:</b>        |  |
| <b>CSLB Contractor License No.</b> | <b>DIR Registration No.</b>                  |
| <b>Phone No.</b>                   | <b>Dollar Amount of Work &amp; % of Work</b> |

|                                    |  |
|------------------------------------|--|
| <b>Sub-Contractors Name:</b>       | <b>Address:</b>                              |
| <b>Description of Work:</b>        |  |
| <b>CSLB Contractor License No.</b> | <b>DIR Registration No.</b>                  |
| <b>Phone No.</b>                   | <b>Dollar Amount of Work &amp; % of Work</b> |

|                                    |  |
|------------------------------------|--|
| <b>Sub-Contractors Name:</b>       | <b>Address:</b>                              |
| <b>Description of Work:</b>        |  |
| <b>CSLB Contractor License No.</b> | <b>DIR Registration No.</b>                  |
| <b>Phone No.</b>                   | <b>Dollar Amount of Work &amp; % of Work</b> |

|                                    |  |
|------------------------------------|--|
| <b>Sub-Contractors Name:</b>       | <b>Address:</b>                              |
| <b>Description of Work:</b>        |  |
| <b>CSLB Contractor License No.</b> | <b>DIR Registration No.</b>                  |
| <b>Phone No.</b>                   | <b>Dollar Amount of Work &amp; % of Work</b> |

Percent of work to be performed by sub-Contractors: 4%%  
(Note: 50% of work is required to be performed by general Contractor)  
For additional Sub-Contractors, please add additional sheet(s)

**L. IRAN CONTRACTING ACT CERTIFICATION  
(Public Contract Code Section 2200 et seq.)**

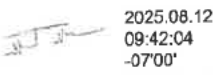
As required by California Public Contract Code Section 2204, the Contractor certifies subject to penalty for perjury that the option checked below relating to the Contractor's status in regard to the Iran Contracting Act of 2010 (Public Contract Code Section 2200 *et seq.*) is true and correct:

The Contractor is not:

- (1) identified on the current list of person and entities engaged in investment activities in Iran prepared by the California Department of General Services in accordance with subdivision (b) of Public Contract Code Section 2203; or
- (2) a financial instruction that extends, for 45 days or more, credit in the amount of \$20,000,000 or more to any other person or entity identified on the current list of persons and entities engaging in investment activities in Iran prepared by the California Department of General Services in accordance with subdivision (b) of Public Contract Code Section 2203, if that person or entity uses or will use the credit to provide goods or services in the energy sector in Iran.

The City has exempted the Contractor from the requirements of the Iran Contracting Act of 2010 after making a public finding that, absent the exemption, the City will be unable to obtain the goods and/or services to be provided pursuant to the Contract.

The amount of the Contract payable to the Contractor for the Project does not exceed \$1,000,000.

Signature: \_\_\_\_\_  
 2025.08.12  
09:42:04  
-07'00'

Printed Name: Salam Sabbagh

Title: Owner

Firm Name: New Power Contracting For Building Mechanicals

Date: August 12, 2025

Note: In accordance with Public Contract Code Section 2205, false certification of this form shall be reported to the California Attorney General and may result in civil penalties equal to the greater of \$250,000 or twice the Contract amount, termination of the Contract and/or ineligibility to bid on Contracts for three years.

**M. PUBLIC WORKS CONTRACTOR REGISTRATION CERTIFICATION**

Pursuant to Labor Code sections 1725.5 and 1771.1, all Contractors and subcontractors that wish to bid on, be listed in a bid proposal, or enter into a Contract to perform public work must be registered with the Department of Industrial Relations. See <http://www.dir.ca.gov/Public-Works/PublicWorks.html> for additional information.

No bid will be accepted nor any Contract entered into without proof of the Contractor's and subcontractors' current registration with the Department of Industrial Relations to perform public work.

Bidder hereby certifies that it is aware of the registration requirements set forth in Labor Code sections 1725.5 and 1771.1 and is currently registered as a Contractor with the Department of Industrial Relations.<sup>1</sup>

Name of Bidder: Salam Sabbagh

DIR Registration Number: 1001013268

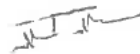
DIR Registration Expiration: 06/30/2027

Small Project Exemption:      Yes or  No

Unless Bidder is exempt pursuant to the small project exemption, Bidder further acknowledges:

1. Bidder shall maintain current DIR registration for the duration of the project.
2. Bidder shall maintain a current DIR registration for the duration of the project.
3. Bidder shall include the requirements of Labor Code sections 1725.5 and 1771.1 in its Contract with subcontractors and ensure that all subcontractors are registered at the time of bid opening and maintain registration status for the duration of the project.
4. Failure to submit this form or comply with any of the above requirements may result in a finding that the bid is non-responsive.

Name of Bidder New Power Contracting For Building Mechanicals

Signature  2025.08.12  
10:00:05 -07'00'

Name and Title Salam Sabbagh/Owner

Dated August 12, 2025

<sup>1</sup> If the Project is exempt from the Contractor registration requirements pursuant to the small project exemption under Labor Code Sections 1725.5 and 1771.1, please mark "Yes" in response to "Small Project Exemption."

## **N. FLEET COMPLIANCE CERTIFICATION**

The California Air Resources Board (“CARB”) implemented amendments to the In-Use Off-Road Diesel-Fueled Fleets Regulations (“Regulation”) which are effective on January 1, 2024 and apply broadly to all self-propelled off road diesel vehicles 25 horsepower or greater and other forms of equipment used in California. A copy of the Regulation is available at [https://ww2.arb.ca.gov/sites/default/files/barcu/regact/2022/off-roaddiesel\\_appa-1.pdf](https://ww2.arb.ca.gov/sites/default/files/barcu/regact/2022/off-roaddiesel_appa-1.pdf). Bidders are required to comply with all CARB and Regulation requirements, including, without limitation, all applicable sections of the Regulation, as codified in Title 13 of the California Code of Regulations section 2449 et seq. throughout the term of the Project. Bidders must provide, with their Bid, copies of Bidder’s and all listed subcontractors the most recent, valid Certificate of Reported Compliance (“CRC”) issued by CARB. Failure to provide valid CRCs as required herein may render the Bid non-responsive.

### **INSTRUCTIONS TO BIDDERS**

#### **COMPLIANCE WITH CARB REGULATIONS**

The City is a Public Works Awarding Body, as defined under Title 13 California Code of Regulations section 2449(c)(46). Accordingly, Bidders must submit, with their Bids, a valid Certificate of Reported Compliance (“CRC”) for the Bidder’s and its listed subcontractors fleet (including any applicable leased equipment or vehicles). Bidder must complete and submit the Fleet Compliance Certification, on the form included in the bid package. Failure to provide a valid CRC for the Bidder’s fleet, and for the fleets of all listed subcontractors, or failure to complete the Fleet Compliance Certification, may render the Bid non-responsive.

#### **Fleet Compliance Certification.**

Bidder hereby acknowledges that they have reviewed the California Air Resources Board’s policies, rules and regulations and are familiar with the requirements of Title 13, California Code of Regulations, Division 3, Chapter 9, effective on January 1, 2024 (the “Regulation”). Bidder hereby certifies, subject to penalty for perjury, that the option checked below relating to the Bidder’s fleet, and/or that of their subcontractor(s) (“Fleet”) is true and correct:

The Fleet is subject to the requirements of the Regulation, and the appropriate Certificate(s) of Reported Compliance have been attached hereto.


The Fleet is exempt from the Regulation under section 2449.1(f)(2), and a signed description of the subject vehicles, and reasoning for exemption has been attached hereto.

Bidder and/or their subcontractor is unable to procure R99 or R100 renewable diesel fuel as defined in the Regulation pursuant to section 2449.1(f)(3). Bidder shall keep detailed records describing the normal refueling methods, their attempts to procure renewable diesel fuel and proof that shows they were not able to procure renewable diesel (i.e. third party correspondence or vendor bids).

The Fleet is exempt from the requirements of the Regulation pursuant to section 2449(i)(4) because this Project has been deemed an Emergency, as defined under section 2449(c)(18). Bidder shall only operate the exempted vehicles in the emergency situation and records of the exempted vehicles must be maintained, pursuant to section 2449(i)(4).

X The Fleet does not fall under the Regulation or are otherwise exempted and a detailed reasoning is attached hereto.

Name of Bidder: New Power Contracting for Building Mechanicals

Signature:  2025.08.12 10:08:30 -07'00'

Name: Salam Sabbagh

Title: CEO

Date: August 12, 2025

Our company and our subcontractors do not operate any off-road diesel vehicles covered under CARB Title 13, Division 3, Chapter 9. All work is performed using light-duty gasoline and small tools not subject to this regulation



ADDENDUM ISSUED BY:   
Saad Malim, City Engineer

## ACKNOWLEDGEMENT OF ADDENDUM No. 1

### CIP NO. 630 – Community Center Gas Line Repairs

Complete and sign this acknowledgement form. Enclose the original copy of the acknowledgement in your bid. Failure to do so may result in disqualification of your firm's bid.

The undersigned acknowledges receipt of Addendum No. 1 dated July 31, 2025.

ATTEST:  
Principal: \_\_\_\_\_  
Address: New Power Contracting For Building Mechanicals  
21021 Vanowen St. Unit D204 Canoga Park, CA 91303  
By: Salam Sabbagh  
Title: CEO



ADDENDUM ISSUED BY:

S. Malim  
Saad Malim, City Engineer

## ACKNOWLEDGEMENT OF ADDENDUM No. 2

### CIP NO. 630 – Community Center Gas Line Repairs

Complete and sign this acknowledgement form. Enclose the original copy of the acknowledgement in your bid. Failure to do so may result in disqualification of your firm's bid.

The undersigned acknowledges receipt of Addendum No. 2 dated August 7, 2025.

ATTEST:  
Principal:  
Address:  
By:  
Title:

S. Sabbagh 2025.08.12  
08:59:10 -07'00'  
New Power Contracting For Building Mechanicals  
21021 Vanowen St. Unit D204 Canoga Park, CA 91303  
Salam Sabbagh  
CEO



## CONTRACTORS STATE LICENSE BOARD

### Contractor's License Detail for License # 1100150

**DISCLAIMER: A license status check provides information taken from the CSLB license database. Before relying on this information, you should be aware of the following limitations.**

- ▶ CSLB complaint disclosure is restricted by law (86P 7124.5) If this entity is subject to public complaint disclosure click on link that will appear below for more information. Click [here](#) for a definition of disclosable actions.
- ▶ Only construction related civil judgments reported to CSLB are disclosed (86P 2071.1).
- ▶ Arbitrations are not listed unless the contractor fails to comply with the terms.
- ▶ Due to workload, there may be relevant information that has not yet been entered into the board's license database.

Data current as of 8/19/2025 12:27:07 PM

#### Business Information

NEW POWER CONTRACTING FOR BUILDING MECHANICALS  
21021 VANOWEN ST APT D204  
CANOGA PARK, CA 91303  
Business Phone Number:(818) 739-9196

**Entity** Sole Ownership  
**Issue Date** 12/30/2022  
**Expire Date** 12/31/2026

#### License Status

This license is current and active.

All information below should be reviewed.

#### Classifications

- ▶ C36 - PLUMBING
- ▶ C20 - WARM-AIR HEATING, VENTILATING AND AIR-CONDITIONING

#### Contractor's Bond

This license filed a Contractor's Bond with AMERICAN CONTRACTORS INDEMNITY COMPANY.  
**Bond Number:** 100704512  
**Bond Amount:** \$25,000  
**Effective Date:** 01/01/2023  
[Contractor's Bond History](#)

This license has workers compensation insurance with the [STATE COMPENSATION INSURANCE FUND](#)

**Policy Number:** 9343224

**Effective Date:** 08/01/2023

**Expire Date:** 08/01/2026

[Workers' Compensation History](#)

**Workers' compensation classification code(s):**

51831 - Plumbing-low wage

51871 - Plumbing-high wage

For a description of the workers' compensation classification code(s) listed for this licensee, contact the licensee's insurance carrier. Contact information for the licensee's insurer is available by clicking the insurer link above. Classification codes are also available on the Workers' Compensation Insurance Rating Bureau's classification search page.

**The board does not verify or investigate the accuracy of classification codes displayed.**

[Back to Top](#)

[Privacy Policy](#)

[Accessibility Certification](#)

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### BUSINESS LICENSE CERTIFICATE

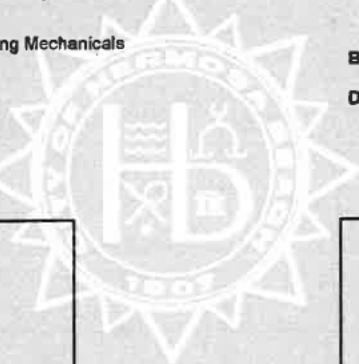
Starting January 1, 2021, Assembly Bill 1607 requires the prevention of gender-based discrimination of business establishments. A full notice is available in English or other languages by going to: <https://www.dca.ca.gov/publications/>

**Business Name:** New Power Contracting For Building Mechanicals  
**Business Owner 1:** Salam Sabbagh  
**Business Owner 2:**  
**Business Location:** 21021 Vanowen ST UNIT D204  
Canoga Park, CA 91303-2880

### CITY OF HERMOSA BEACH

1315 Valley Drive - Hermosa Beach, CA 90254  
Phone: (310) 318-0206

**Business Phone No.:** (818) 739-9196  
**Description:** CONTRACTOR -  
GEN/ELEC/PLBG/ENG



NEW POWER CONTRACTING FOR BUILDING  
MECHANICALS  
21021 VANOWEN ST UNIT D204  
CANOGA PARK, CA 91303-2880

**BUSINESS LICENSE #:** 01140386  
**Effective Date:** August 01, 2025  
**Expiration Date:** July 31, 2028

TO BE POSTED IN A CONSPICUOUS PLACE

NOT TRANSFERABLE



DATE (MM/DD/YYYY)

09/16/2025

AGENCY CUSTOMER ID: \_\_\_\_\_

LOC #: \_\_\_\_\_



### ADDITIONAL REMARKS SCHEDULE

Page 3 of 3

|  |                    |   |  |
|--|--------------------|---|--|
| AGENCY<br>BIBERK                                       |                    | NAMED INSURED<br>Salam Sabbagh<br>New Power Contracting For Building<br>21021 Vanowen Street<br>D204<br><del>Canoga Park, CA 91303-2842</del> |  |
| POLICY NUMBER<br>N9BP838187                            |                    | EFFECTIVE DATE: (MM/DD/YYYY) 04/05/2025-04/05/2026  |  |
| CARRIER<br>Berkshire Hathaway Direct Insurance Company | NAIC CODE<br>10391 |   |  |

#### ADDITIONAL REMARKS

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,**  
**FORM NUMBER:** ACORD 25 **FORM TITLE:** CERTIFICATE OF LIABILITY INSURANCE

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES - CONTINUANCE**

This policy is primary as to losses it covers, and the Insurer will not seek contribution if there is a written agreement between the insured and the certificate holder. A waiver of transfer of rights exists on this policy as it pertains to general liability in favor of CSU NorthRidge, At: Insurance and Risk Management ISAOAATIMA. CSU NorthRidge, At: Insurance and Risk Management ISAOAATIMA is listed as additional insured as it pertains to completed operations.





POLICY NUMBER: N9BP838187

**BUSINESSOWNERS  
BP 04 50 01 06**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – OWNERS, LESSEES  
OR CONTRACTORS – SCHEDULED PERSON  
OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

**SCHEDULE**

| Name Of Additional Insured Person(s) Or Organization(s):   | Location(s) Of Covered Operations |
|--|-----------------------------------|
| City of Hermosa Beach  | Various                           |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |                                   |

The following is added to Paragraph C. **Who Is An Insured** in **Section II – Liability**:

3. Any person(s) or organization(s) shown in the Schedule is also an additional insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:
- a. Your acts or omissions; or
  - b. The acts or omissions of those acting on your behalf;
- in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

- a. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
- b. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**PRIMARY AND NONCONTRIBUTORY –  
OTHER INSURANCE CONDITION**

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS COVERAGE FORM**

The following is added to Paragraph **H. Other Insurance** of **Section III – Common Policy Conditions** and supersedes any provision to the contrary:

**Primary And Noncontributory Insurance**

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

1. The additional insured is a Named Insured under such other insurance; and

2. You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

Form **W-9**  
(Rev. October 2018)  
Department of the Treasury  
Internal Revenue Service

# Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

Print or type.  
See Specific Instructions on page 3.

|  |   |
|--|---|
| 1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.<br><p style="text-align: right;">Salam Kamel Sabbagh New Power Contracting For Building</p>  |   |
| 2 Business name/disregarded entity name, if different from above<br><p style="text-align: right;">New Power Contracting For Building Mechanicals</p>   |   |
| 3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only <b>one</b> of the following seven boxes.<br><br><input checked="" type="checkbox"/> Individual/sole proprietor or single-member LLC<br><input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____<br><b>Note:</b> Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is <b>not</b> disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.<br><br><input type="checkbox"/> Other (See instructions) ▶ _____ | 4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):<br><br>Exempt payee code (if any) _____<br><br>Exemption from FATCA reporting code (if any) _____<br><br><small>(Applies to accounts maintained outside the U.S.)</small> |
| 5 Address (number, street, and apt. or suite no.) See instructions.<br><p style="text-align: center;">(New Address) 363-Carelton Ave</p>   | Requester's name and address (optional)<br><p style="text-align: center;">City Of Hermosa Beach 1035-Valley Drive, CA 90254</p>   |
| 6 City, state, and ZIP code<br><p style="text-align: center;">Claremont CA, 91711</p>  |   |
| 7 List account number(s) here (optional)   |   |

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

|                        |  |
|------------------------|--|
| Social security number |  |
|                        |  |
|                        |  |

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

## Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

|                  |  |                                |        |                    |
|------------------|--|--------------------------------|--------|--------------------|
| <b>Sign Here</b> | Signature of U.S. person ▶  | 2025.09.30 12:35:04<br>-07'00' | Date ▶ | September 30, 2025 |
|------------------|--|--------------------------------|--------|--------------------|

## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
  - Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
  - Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
  - Form 1099-S (proceeds from real estate transactions)
  - Form 1099-K (merchant card and third party network transactions)
  - Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
  - Form 1099-C (canceled debt)
  - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.*

**Bond Number: 101354674**

**Premium: \$5,825.00**

## **D. FAITHFUL PERFORMANCE BOND**

**CIP NO. 630**

### **COMMUNITY CENTER GAS LINE REPAIRS**

**KNOW ALL PERSONS BY THESE PRESENTS:**

THAT WHEREAS, the City of Hermosa Beach, (hereinafter referred to as "City") has awarded to New Power Contracting for Building Mechanicals, (hereinafter referred to as the "Contractor") an agreement for **Contract No. CIP 630**, (hereinafter referred to as the "Project").

WHEREAS, the work to be performed by the Contractor is more particularly set forth in the Contract Documents for the Project dated 09/09/2025, (hereinafter referred to as "Contract Documents"), the terms and conditions of which are expressly incorporated herein by reference; and

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

NOW, THEREFORE, we, New Power Contracting for Building Mechanicals, the undersigned Contractor and Merchants National Indemnity Company as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the City in the sum of Two Hundred Thirty-Three Thousand and 00/100 DOLLARS, (\$ 233,000.00 ), said sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that, if the Contractor, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the Contract Documents and any alteration thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their intent and meaning; and shall faithfully fulfill all obligations including the one (1) year guarantee of all materials and workmanship; and shall indemnify and save harmless the City, its officials, officers, employees, and authorized volunteers, as stipulated in said Contract Documents, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees including reasonable attorney's fees, incurred by City in enforcing such obligation.

As a condition precedent to the satisfactory completion of the Contract Documents, unless otherwise provided for in the Contract Documents, the above obligation shall hold good for a period of one (1) year after the acceptance of the work by City, during which time if Contractor shall fail to make full, complete, and satisfactory repair and replacements and totally protect the City from loss or damage resulting from or caused by defective materials or faulty workmanship. The obligations of Surety hereunder shall continue so long as any obligation of Contractor remains.

Nothing herein shall limit the City's rights or the Contractor or Surety's obligations under the Contract, law or equity, including, but not limited to, California Code of Civil Procedure Section 337.15.

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

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

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

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

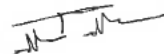
The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project to be performed thereunder shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project.

By their signatures hereunder, Surety and Contractor hereby confirm under penalty of perjury that surety is an admitted surety insurer authorized to do business in the State of California.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 30th day of September, 2025.

**New Power Contracting for Building Mechanicals**

Contractor/ Principal

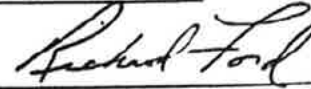
By  2025.09.30  
~~11:28:42-07'00'~~

Title Owner

**Merchants National Indemnity Company**

Surety

By

  
Attorney-in-Fact

Title Richard Ford, Attorney-in-Fact

The rate of premium on this bond is \$25.00 per thousand. The total amount of premium charges is \$ 5,825.00.  
(The above must be filled in by corporate attorney.)

**THIS IS A REQUIRED FORM**

Any claims under this bond may be addressed to:

(Name and Address of Surety)

Merchants National Indemnity Company  
P.O. Box 14498  
Des Moines, IA 50306-3498

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

Inszone Insurance Services LLC  
2111 S. El Camino Real #201  
Oceanside, CA 92054

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

(760) 507-0514

## Notary Acknowledgment

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

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

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

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.  
WITNESS my hand and official seal.

Signature of Notary Public \_\_\_\_\_

### OPTIONAL

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

#### CAPACITY CLAIMED BY SIGNER

#### DESCRIPTION OF ATTACHED DOCUMENT

- Individual
- Corporate Officer

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

- Partner(s)      "    Limited
- "    General

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

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

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

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

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

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

Signer(s) Other Than Named Above

NOTE: This acknowledgment is to be completed for Contractor/Principal.

### Notary Acknowledgment

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

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

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

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

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

WITNESS my hand and official seal.

Signature of Notary Public \_\_\_\_\_

#### OPTIONAL

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

#### CAPACITY CLAIMED BY SIGNER

#### DESCRIPTION OF ATTACHED DOCUMENT

- Individual
- Corporate Officer

- \_\_\_\_\_ Title(s)
- Partner(s)      - Limited
- General
- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other:

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

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

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

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

\_\_\_\_\_

Signer(s) Other Than Named Above

NOTE: This acknowledgment is to be completed for the Attorney-in-Fact. The Power-of Attorney to local representatives of the bonding company must also be attached.

**END OF PERFORMANCE BOND**

ber: 101354674

Included in Performance Bond Premium.

## E. PAYMENT BOND (LABOR AND MATERIALS)

### CIP NO. 630 COMMUNITY CENTER GAS LINE REPAIRS

KNOW ALL MEN BY THESE PRESENTS That

WHEREAS, the City of Hermosa Beach (hereinafter designated as the "City"), by action taken or a resolution passed September 9, 2025, has awarded to New Power Contracting for Building Mechanicals hereinafter designated as the "Principal," a Contract for the work described as follows: Contract No. CIP 630 (the "Project"); and

WHEREAS, said Principal is required to furnish a bond in connection with said Contract; providing that if said Principal or any of its Subcontractors shall fail to pay for any materials, provisions, provender, equipment, or other supplies used in, upon, for or about the performance of the work Contracted to be done, or for any work or labor done thereon of any kind, or for amounts due under the Unemployment Insurance Code or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of said Principal and its Subcontractors with respect to such work or labor the Surety on this bond will pay for the same to the extent hereinafter set forth.

NOW THEREFORE, we, the Principal and Merchants National Indemnity Company as Surety, are held and firmly bound unto the City in the penal sum of Two Hundred Thirty-Three Thousand and 00/100 Dollars (\$ 233,000.00 ) lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

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

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

It is further stipulated and agreed that the Surety on this bond shall not be exonerated or released from the obligation of this bond by any change, extension of time for performance, addition, alteration or modification in, to, or of any Contract, plans, specifications, or agreement pertaining

or relating to any scheme or work of improvement herein above described, or pertaining or relating to the furnishing of labor, materials, or equipment therefore, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to any scheme or work of improvement herein above described, nor by any rescission or attempted rescission or attempted rescission of the Contract, agreement or bond, nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants otherwise entitled to recover under any such Contract or agreement or under the bond, nor by any fraud practiced by any person other than the claimant seeking to recover on the bond and that this bond be construed most strongly against the Surety and in favor of all persons for whose benefit such bond is given, and under no circumstances shall Surety be released from liability to those for whose benefit such bond has been given, by reason of any breach of Contract between the owner or City and original Contractor or on the part of any obligee named in such bond, but the sole conditions of recovery shall be that claimant is a person described in Civil Code Section 9100, and has not been paid the full amount of his claim and that Surety does hereby waive notice of any such change, extension of time, addition, alteration or modification herein mentioned, including but not limited to the provisions of sections 2819 and 2845 of the California Civil Code.

By their signatures hereunder, Surety and Principal hereby confirm under penalty of perjury that surety is an admitted surety insurer authorized to do business in the State of California.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 30th day of September, 2025.

**New Power Contracting for Building Mechanicals**

Contractor/ Principal

By \_\_\_\_\_

2025.09.30  
11:30:37 -07'00'

Title Owner

**Merchants National Indemnity Company**

Surety

By \_\_\_\_\_

Attorney-in-Fact

Title Richard Ford, Attorney-in-Fact

## Notary Acknowledgment

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

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

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

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

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

WITNESS my hand and official seal.

Signature of Notary Public \_\_\_\_\_

### OPTIONAL

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

#### CAPACITY CLAIMED BY SIGNER

#### DESCRIPTION OF ATTACHED DOCUMENT

- Individual
- Corporate Officer

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

Title or Type of Document

---

Number of Pages

---

Date of Document

---

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

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

Signer(s) Other Than Named Above

**NOTE:** This acknowledgment is to be completed for Contractor/Principal.

## Notary Acknowledgment

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

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

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

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

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

WITNESS my hand and official seal.

Signature of Notary Public \_\_\_\_\_

### OPTIONAL

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

#### CAPACITY CLAIMED BY SIGNER

#### DESCRIPTION OF ATTACHED DOCUMENT

- Individual
- Corporate Officer

- \_\_\_\_\_ Title(s)
- Partner(s)       Limited
  - General
  - Attorney-In-Fact
  - Trustee(s)
  - Guardian/Conservator
  - Other:

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

|       |                                  |
|-------|----------------------------------|
| _____ | Title or Type of Document        |
| _____ | Number of Pages                  |
| _____ | Date of Document                 |
| _____ | Signer(s) Other Than Named Above |

**NOTE:** This acknowledgment is to be completed for the Attorney-in-Fact. The Power-of-Attorney to local representatives of the bonding company must also be attached.

**END OF PAYMENT BOND**

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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

State of California )  
County of Orange )  
On 09/30/25 before me, Eric Joseph Reed, Notary Public  
Date Here Insert Name and Title of the Officer  
personally appeared Richard Fond  
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature [Handwritten Signature]  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: Performance & Payment Bond # 101394674  
Document Date: 09/30/25 Number of Pages: 9  
Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: Richard Fond  
 Corporate Officer - Title(s): \_\_\_\_\_  
 Partner -  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_  
 Corporate Officer - Title(s): \_\_\_\_\_  
 Partner -  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

# MERCHANTS BONDING COMPANY™

## POWER OF ATTORNEY

Know All Persons By These Presents, that MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., both being corporations of the State of Iowa, d/b/a Merchants National Indemnity Company (in California only) (herein collectively called the "Companies") do hereby make, constitute and appoint, individually,

Christopher Walters; Rich Lemon; Richard Ford

their true and lawful Attorney(s)-in-Fact, to sign its name as surety(ies) and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

This Power-of-Attorney is granted and is signed and sealed by facsimile under and by authority of the following By-Laws adopted by the Board of Directors of Merchants Bonding Company (Mutual) on April 23, 2011 and amended August 14, 2015 and April 27, 2024 and adopted by the Board of Directors of Merchants National Bonding, Inc., on October 16, 2015 and amended on April 27, 2024.

"The President, Secretary, Treasurer, or any Assistant Treasurer or any Assistant Secretary or any Vice President shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof."

"The signature of any authorized officer and the seal of the Company may be affixed by facsimile or electronic transmission to any Power of Attorney or Certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually fixed."

In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.

In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner-Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

In Witness Whereof, the Companies have caused this instrument to be signed and sealed this 17th day of September, 2024

MERCHANTS BONDING COMPANY (MUTUAL)  
MERCHANTS NATIONAL BONDING, INC.  
d/b/a MERCHANTS NATIONAL INDEMNITY COMPANY

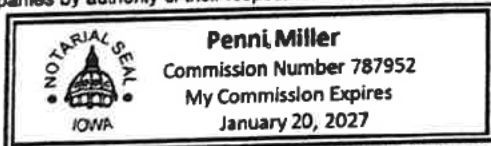
By

President



STATE OF IOWA  
COUNTY OF DALLAS ss.

On this 17th day of September, 2024, before me appeared Larry Taylor, to me personally known, who being by me duly sworn did say that he is President of MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC.; and that the seals affixed to the foregoing instrument are the Corporate Seals of the Companies; and that the said instrument was signed and sealed in behalf of the Companies by authority of their respective Boards of Directors.



(Expiration of notary's commission does not invalidate this instrument)

Notary Public

I, Elisabeth Sandersfeld, Secretary of MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., do hereby certify that the above and foregoing is a true and correct copy of the POWER-OF-ATTORNEY executed by said Companies, which is still in full force and effect and has not been amended or revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Companies on this 30<sup>th</sup> day of September, 2025.



Secretary