

CITY OF SIGNAL HILL
PURCHASE AND INSTALLATION AGREEMENT
[CITY HALL FLOORING REPLACEMENT]

1. PARTIES AND DATE.

This Contract is made and entered into this 14th day of October, 2025, by and between the City of Signal Hill, a municipal corporation, organized under the laws of the State of California, with its principal place of business at 2175 Cherry Avenue Signal Hill, CA 90755 ("City") and **Mohawk Commercial, Inc.**, with its principal place of business at 160 South Industrial Blvd., Calhoun, GA 30701 ("Contractor"). City and Contractor are sometimes individually referred to herein as "Party" and collectively as "Parties."

2. RECITALS.

2.1 City. City is a municipal corporation organized under the laws of the State of California, with power to contract for services necessary to achieve its purpose.

2.2 Contractor. Contractor desires to perform and assume responsibility for the provision of services to procure and install flooring and furnishing all labor, materials, and equipment ("Services") required by the City on the terms and conditions set forth in this Contract. Contractor represents that it is experienced in providing the Services to public clients, that it and its employees or subcontractors have all necessary licenses and permits to perform such Services in the State of California, and that it is familiar with the plans of City.

2.3 Project. City desires to engage Contractor to render such services for the **City Hall Flooring Replacement** Project ("Project") as set forth in this Contract.

2.4 Project Documents & Certifications. Contractor has obtained, and delivers concurrently herewith, **Contractor's Proposal TLJ05223 re new flooring for all interior spaces of City Hall, 2175 Cherry Avenue, Signal Hill, CA 90755** as required by the Contract. Contractor has full access to the material and special pricing under Sourcewell Contract #061323-MCD (the "Cooperative Contract") and all applicable provisions are incorporated herein.

2.5 The City is a member of Sourcewell (Member No. 86892) and is authorized to use the Cooperative Contract for public works procurements in compliance with Signal Hill Municipal Code Section 3.20.120 E as Sourcewell has established the competitively awarded Cooperative Contract on behalf of itself and its participating agencies.

3. TERMS

3.1 Term. The term of this Contract shall be for a period of 90 working days beginning on the effective date of the Notice to Proceed, unless earlier terminated as provided herein. The term may be extended administratively by up to 180 calendar days ("Term Contingency") at the sole discretion of the City. Contractor shall complete the Work within the term of this Contract, and shall meet any other established schedules and deadlines.

3.2 Incorporation of Documents. This Contract includes and hereby incorporates in full by reference the following documents, including all exhibits, drawings, specifications and documents therein, and attachments and addenda thereto: **Contractor's Proposal TLJ05223 re new flooring for all interior spaces of City Hall, 2175 Cherry Avenue, Signal Hill, CA 90755.**

3.3 Contractor's Basic Obligation; Scope of Work. Contractor promises and agrees, at its own cost and expense, to furnish to the Owner all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately complete the Project, including all structures and facilities necessary for the Project or described in the Contract (hereinafter sometimes referred to as the "Work"), for a Total Contract Price as specified pursuant to this Contract. All Work shall be subject to, and performed in accordance with the above referenced documents, as well as the exhibits attached hereto and incorporated herein by reference. The plans and specifications for the Work are further described in Exhibit "A" attached hereto and incorporated herein by this reference. [

3.4 Change in Scope of Work. Any change in the scope of the Work, method of performance, nature of materials or price thereof, or any other matter materially affecting the performance or nature of the Work shall not be paid for or accepted unless such change, addition or deletion is approved in advance and in writing by a valid change order executed by the City.

3.5 Period of Performance and Liquidated Damages. Contractor shall perform and complete all Work under this Contract within **90 WORKING DAYS**, beginning on the effective date of the Notice to Proceed ("Contract Time"). Contractor shall perform its Work in accordance with any completion schedule, construction schedule or project milestones developed by the City subject to delays caused by force majeure events or in the event of the City's failure to provide or reply to required input or information. Such schedules or milestones may be included as part of Exhibits "A" or "B" attached hereto, or may be provided separately in writing to the Contractor.

3.6 Standard of Performance; Performance of Employees. Contractor shall perform all Work under this Contract in a skillful and workmanlike manner, and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the professional calling necessary to perform the Work. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Work assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Work, and that such licenses and approvals shall be maintained throughout the term of this Contract. As provided for in the indemnification provisions of this Contract, Contractor shall perform, at its own cost and expense and without reimbursement from the City, any work necessary to correct errors or omissions which are caused by the Contractor's failure to comply with the standard of care provided for herein. Any employee who is determined by the City to be uncooperative, incompetent, a threat to the safety of persons or the Work, or any employee who fails or refuses to perform the Work in a manner acceptable to the City, shall be promptly removed from the Project by the Contractor and shall not be re-employed on the Work.

3.7 Independent Contractor; Control and Payment of Subordinates. The Work shall be performed by Contractor or under its supervision. Contractor will determine the means, methods and details of performing the Work subject to the requirements of this Contract. City retains Contractor on an independent contractor basis and not as an employee. Contractor

retains the right to perform similar or different work for others during the term of this Contract. Any additional personnel performing the Work under this Contract on behalf of Contractor shall also not be employees of City and shall at all times be under Contractor's exclusive direction and control. Neither City, or any of its officials, officers, directors, employees or agents shall have control over the conduct of Contractor or any of Contractor's officers, employees or agents, except as set forth in this Contract. Contractor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of the Work under this Contract and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.8 City's Basic Obligation. City agrees to engage and does hereby engage Contractor as an independent contractor to furnish all materials and to perform all Work according to the terms and conditions herein contained for the sum set forth above. Except as otherwise provided in the Contract, the City shall pay to Contractor, as full consideration for the satisfactory performance by the Contractor of the services and obligations required by this Contract, the above referenced compensation in accordance with compensation provisions set forth in the Contract.

3.9 Compensation and Payment.

3.9.1 Amount of Compensation. As consideration for performance of the Work required herein, City agrees to pay Contractor the Total Contract Price of **ONE HUNDRED FIFTY-SEVEN THOUSAND THREE HUNDRED SEVENTY-THREE DOLLARS and FIFTY-FOUR CENTS (\$157,373.54).**

3.9.2 Payment of Compensation. If the Work is scheduled for completion in thirty (30) or less calendar days, City will arrange for payment of the Total Contract Price upon completion and approval by City of the Work. If the Work is scheduled for completion in more than thirty (30) calendar days, City will pay Contractor on a monthly basis as provided for herein. Each month and no later than thirty (30) days from the end of the previous month, Contractor shall submit to the City an itemized application for payment in the format supplied by the City indicating the amount of Work completed since commencement of the Work or since the last progress payment. These applications shall be supported by evidence which is required by this Contract and such other documentation as the City may require. The Contractor shall certify that the Work for which payment is requested has been done and that the materials listed are stored where indicated. Contractor may be required to furnish a detailed schedule of values upon request of the City and in such detail and form as the City shall request, showing the quantities, unit prices, overhead, profit, and all other expenses involved in order to provide a basis for determining the amount of progress payments.

City shall review and pay all progress payment requests in accordance with the provisions set forth in Section 20104.50 of the California Public Contract Code. No progress payments will be made for Work not completed in accordance with this Contract.

3.9.3 Contract Retentions. From each approved progress estimate, five percent (5%) will be deducted and retained by the City, and the remainder will be paid to Contractor. All Contract retainage shall be released and paid to the Contractor and subcontractors pursuant to California Public Contract Code Section 7107.

3.9.4 Other Retentions. The City may deduct from each progress payment an amount necessary to protect City from loss in the event Contractor has been notified of, and failed to adequately resolve in a timely manner because of: (1) any sums expended by the City in performing any of Contractor's obligations under the Contract which Contractor has failed to perform or has performed inadequately; (2) defective Work not remedied; (3) stop payment notices as allowed by state law; (4) reasonable doubt that the Work can be completed for the unpaid balance of the Total Contract Price or within the scheduled completion date; (5) unsatisfactory prosecution of the Work by Contractor; (6) unauthorized deviations from the Contract; (7) failure of the Contractor to maintain or submit on a timely basis proper and sufficient documentation as required by the Contract or by City during the prosecution of the Work; (8) erroneous or false estimates by the Contractor of the value of the Work performed; (9) any sums representing expenses, losses, or damages as determined by the City, incurred by the City for which Contractor is liable under the Contract; and (10) any other sums which the City is entitled to recover from Contractor under the terms of the Contract or pursuant to state law, including Section 1727 of the California Labor Code. The failure by the City to deduct any of these sums from a progress payment shall not constitute a waiver of the City's right to such sums.

3.9.5 Substitutions for Contract Retentions. In accordance with California Public Contract Code Section 22300, the City will permit the substitution of securities for any monies withheld by the City to ensure performance under the Contract. At the request and expense of the Contractor, securities equivalent to the amount withheld shall be deposited with the City, or with a state or federally chartered bank in California as the escrow agent, and thereafter the City shall then pay such monies to the Contractor as they come due. Upon satisfactory completion of the Contract, the securities shall be returned to the Contractor. For purposes of this Section and Section 22300 of the Public Contract Code, the term "satisfactory completion of the contract" shall mean the time the City has issued written final acceptance of the Work and filed a Notice of Completion as required by law and provisions of this Contract. The Contractor shall be the beneficial owner of any securities substituted for monies withheld and shall receive any interest thereon. The escrow agreement used for the purposes of this Section shall be in the form provided by the City.

3.9.6 Payment to Subcontractors. Contractor shall pay all subcontractors for and on account of work performed by such subcontractors in accordance with the terms of their respective subcontracts and as provided for in Section 7108.5 of the California Business and Professions Code. Such payments to subcontractors shall be based on the measurements and estimates made and progress payments provided to Contractor pursuant to this Contract.

3.9.7 Title to Work. As security for partial, progress, or other payments, title to Work for which such payments are made shall pass to the City at the time of payment. To the extent that title has not previously been vested in the City by reason of payments, full title shall pass to the City at delivery of the Work at the destination and time specified in this Contract. Such transferred title shall in each case be good, free and clear from any and all security interests, liens, or other encumbrances. Contractor promises and agrees that it will not pledge, hypothecate, or otherwise encumber the items in any manner that would result in any lien, security interest, charge, or claim upon or against said items. Such transfer of title shall not imply acceptance by the City, nor relieve Contractor from the responsibility to strictly comply with the Contract, and shall not relieve Contractor of responsibility for any loss of or damage to items.

3.10 Termination. This Contract may be terminated by City at any time by giving Contractor thirty (30) 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 shall provide Contractor with notice of breach and the opportunity to cure within 30 days of receiving notice. Should Contractor fail to remedy such breach, City may immediately terminate the agreement at the end of such 30 day period, may reduce payment to the 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.

3.11 Completion of Work. When the Contractor determines that it has completed the Work required herein, Contractor shall so notify City in writing and shall furnish all labor and material releases required by this Contract. City shall thereupon inspect the Work. If the Work is not acceptable to the City, the City shall indicate to Contractor in writing the specific portions or items of Work which are unsatisfactory or incomplete. Once Contractor determines that it has completed the incomplete or unsatisfactory Work, Contractor may request a re-inspection by the City. Once the Work is acceptable to City, City shall pay to Contractor the Total Contract Price remaining to be paid.

3.12 City's Representative. The City hereby designates **CARLO TOMAINO, CITY MANAGER**, or his/her designee, to act as its representative for the performance of this Contract ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Contract. Contractor shall not accept direction or orders from any person other than the City's Representative or his/her designee.

3.13 Contractor's Representative. Before starting the Work, Contractor shall submit in writing the name, qualifications and experience of its proposed representative who shall be subject to the review and approval of the City ("Contractor's Representative"). Following approval by the City, the Contractor's Representative shall have full authority to represent and act on behalf of the Contractor for all purposes under this Contract. The Contractor's Representative shall supervise and direct the Work, using his best skill and attention, and shall be responsible for all construction means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Contract. Contractor's Representative shall devote full time to the Project and either he or his designee, who shall be acceptable to the City, shall be present at the Work site at all times that any Work is in progress and at any time that any employee or subcontractor of Contractor is present at the Work site. Arrangements for responsible supervision, acceptable to the City, shall be made for emergency Work which may be required. Should Contractor desire to change its Contractor's Representative, Contractor shall provide the information specified above and obtain the City's written approval.

3.14 Contract Interpretation. Should any question arise regarding the meaning or import of any of the provisions of this Contract or written or oral instructions from City, the matter shall be referred to City's Representative, whose decision shall be binding upon Contractor.

3.15 Loss and Damage. Contractor shall be responsible for all loss and damage which may arise out of the nature of the Work agreed to herein, or from the action of the elements, or from any unforeseen difficulties which may arise or be encountered in the prosecution of the Work until the same is fully completed and accepted by City. However, Contractor shall be responsible for damage proximately caused by Acts of God, within the meaning of Section 7105 of the California Public Contract Code, only to the extent of five percent (5%) of the Total Contract Price as specified herein. In the event of damage proximately caused by "Acts of God," the City may terminate this Contract upon three (3) days advanced written notice.

3.16 Indemnification. Contractor shall defend (with counsel of City Council's choosing), indemnify and hold City, its officials, officers, agents, employees and representatives free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages or injuries, in law or equity, regardless of whether the allegations are false, fraudulent, or groundless, to property or persons, including wrongful death, to the extent arising out of or incident to any acts, omissions or willful misconduct of Contractor, its officials, officers, employees, agents, consultants and contractors arising out of or in connection with the performance of the Work or this Contract, including claims made by subcontractors for nonpayment, including without limitation the payment of all consequential damages and attorneys' fees and other related costs and expenses. To the fullest extent permitted by law, Contractor shall defend, at Contractor's own cost, expense and risk, with City Council's choosing, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against City, its officials, officers, agents, employees and representatives. To the extent of its liability, Contractor shall pay and satisfy any judgment, award or decree that may be rendered against City, its officials, officers, employees, agents, employees and representatives, in any such suit, action or other legal proceeding. Contractor shall reimburse City, its officials, officers, agents, employees, and representatives, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. The only limitations on this provision shall be those imposed by Civil Code Section 2782.

3.17 Insurance. Contractor agrees to procure and maintain, at Contractor's expense all insurance specified in Exhibit "C" attached hereto and by this reference incorporated herein. Contractor shall require all subcontractors to carry the same policies and limits of insurance that the Contractor is required to maintain, unless otherwise approved in writing by the City.

3.18 Bond Requirements.

3.18.1 Payment Bond. If required by law or otherwise specifically requested by City in Exhibit "B" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Contract a Payment Bond in an amount required by the City and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until the bond has been received and approved by the City.

3.18.2 Performance Bond. If specifically requested by City in Exhibit "B" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Contract a Performance Bond in an amount required by the City and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until the bond has been received and approved by the City.

3.18.3 Bond Provisions. Should, in City's sole opinion, any bond become insufficient or any surety be found to be unsatisfactory, Contractor shall renew or replace the affected bond within (ten) 10 days of receiving notice from City. In the event the surety or Contractor intends to reduce or cancel any required bond, at least thirty (30) days prior written notice shall be given to the City, and Contractor shall post acceptable replacement bonds at least ten (10) days prior to expiration of the original bonds. No further payments shall be deemed due or will be made under this Contract until any replacement bonds required by this Section are accepted by the City. To the extent, if any, that the Total Contract Price is increased in accordance with the Contract, the Contractor shall, upon request of the City, cause the amount of the bond to be increased accordingly and shall promptly deliver satisfactory evidence of such increase to the City. To the extent available, the bonds shall further provide that no change or alteration of the Contract (including, without limitation, an increase in the Total Contract Price, as referred to above), extensions of time, or modifications of the time, terms, or conditions of payment to the Contractor, will release the surety. If the Contractor fails to furnish any required bond, the City may terminate the Contract for cause.

3.18.4 Surety Qualifications. Only bonds executed by an admitted surety insurer, as defined in California Code of Civil Procedure Section 995.120, shall be accepted. The surety must be a California-admitted surety and satisfactory to the City. If a California-admitted surety insurer issuing bonds does not meet these requirements, the insurer will be considered qualified if it is in conformance with Section 995.660 of the California Code of Civil Procedure, and proof of such is provided to the City.

3.19 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. Contractor shall comply with the requirements of the specifications relating to safety measures applicable in particular operations or kinds of work. In carrying out its Work, the Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the Work and the conditions under which the Work is to be performed. Safety precautions as applicable shall include, but shall not be limited to, adequate life protection and lifesaving equipment; adequate illumination for underground and night operations; instructions in accident prevention for all employees, such as machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and adequate facilities for the proper inspection and maintenance of all safety measures. Furthermore, Contractor shall prominently display the names and telephone numbers of at least two medical doctors practicing in the vicinity of the Project, as well as the telephone number of the local ambulance service, adjacent to all telephones at the Project site.

3.20 Warranty. Contractor warrants all Work under the Contract (which for purposes of this Section shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the Work) to be of good quality and free from any defective or faulty material and workmanship in accordance with the provisions of Contractor's written services warranty, which is hereby incorporated by reference. Contractor agrees that for a period of one year (or the period of time specified elsewhere in the Contract or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the Work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by the City of any defect in the Work or non-conformance of

the Work to the Contract, evaluate, commence and prosecute with due diligence all Work necessary to fulfill the terms of the warranty at its sole cost and expense. Contractor shall act sooner as requested by the City in response to an emergency. In addition, Contractor shall, at its sole cost and expense, repair and replace any portions of the Work (or work of other contractors) damaged by its defective Work or which becomes damaged in the course of repairing or replacing defective Work. For any Work so corrected, Contractor's obligation hereunder to correct defective Work shall be reinstated for an additional one year period, commencing with the date of acceptance of such corrected Work. Contractor shall perform such tests as the City may require to verify that any corrective actions, including, without limitation, redesign, repairs, and replacements comply with the requirements of the Contract. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstitution of equipment and materials necessary to gain access, shall be the sole responsibility of the Contractor. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the Work, whether express or implied, are deemed to be obtained by Contractor for the benefit of the City, regardless of whether or not such warranties and guarantees have been transferred or assigned to the City by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of the City. In the event that Contractor fails to perform its obligations under this Section, or under any other warranty or guaranty under this Contract, to the reasonable satisfaction of the City, the City shall have the right to correct and replace any defective or non-conforming Work and any work damaged by such work or the replacement or correction thereof at Contractor's sole expense. Contractor shall be obligated to fully reimburse the City for any expenses incurred hereunder upon demand

3.21 Laws and Regulations. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Contract or the Work, including all Cal/OSHA requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with Work. If the Contractor observes that the drawings or specifications are at variance with any law, rule or regulation, it shall promptly notify the City in writing. Any necessary changes shall be made by written change order. If the Contractor performs any work knowing it to be contrary to such laws, rules and regulations, the Contractor shall be solely responsible for all costs arising therefrom. Contractor shall defend, indemnify and hold City, its officials, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Contract, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.22 Permits and Licenses. Contractor shall be responsible for securing the applicable permits and licenses necessary to perform the Work described herein.

3.23 Labor

3.23.1 Prevailing Wages. Contractor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. Since the Work is being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. City shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the

commencement of this Contract. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Work available to interested parties upon request, and shall post copies at the Contractor's principal place of business and at the project site. Contractor shall defend, indemnify and hold the City, its elected 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.

3.23.2 Apprenticeable Crafts. When Contractor employs workmen in an apprenticeable craft or trade, Contractor shall comply with the provisions of Section 1777.5 of the California Labor Code with respect to the employment of properly registered apprentices upon public works. The primary responsibility for compliance with said section for all apprenticeable occupations shall be with Contractor.

3.23.3 Hours of Work. Contractor is advised that eight (8) hours labor constitutes a legal day's work. Pursuant to Section 1813 of the California Labor Code, Contractor shall forfeit a penalty of \$25.00 per worker for each day that each worker is permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week, except when payment for overtime is made at not less than one and one-half (1-1/2) times the basic rate for that worker.

3.23.4 Payroll Records. In accordance with the requirements of California Labor Code Section 1776, Contractor shall keep accurate payroll records which are either on forms provided by the Division of Labor Standards Enforcement or which contain the same information required by such forms. Responsibility for compliance with California Labor Code Section 1776 shall rest solely with Contractor, and Contractor shall make all such records available for inspection at all reasonable hours. In accordance with Labor Code section 1771.4, the Contractor and each subcontractor shall furnish the certified payroll records directly to the DIR on a weekly basis and in the format prescribed by the DIR, which may include electronic submission. 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.

3.23.5 Contractor's Labor Certification. By its signature hereunder, Contractor certifies that he is aware of the provisions of Section 3700 of the California 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 agrees to comply with such provisions before commencing the performance of the Work. A certification form for this purpose, which is attached to this Contract as Exhibit "D" and incorporated herein by reference, shall be executed simultaneously with this Contract.

3.23.6 Labor and Material Releases. Contractor shall furnish City with labor and material releases from all subcontractors performing work on, or furnishing materials for, the work governed by this Contract prior to final payment by City.

3.24 Claims & Disputes

3.24.1 Contractor shall timely comply with all notices and requests for additional compensation and extensions of time, including but not limited to all requirements of Article 43, as a prerequisite to filing any claim governed by this Article. The failure to timely submit a notice

of delay or notice of change, or to timely a change to the Contract Price or Contract Time, or to timely provide any other notice or request required herein shall constitute a waiver of the right to further pursue the claim under the Contract or at law.

3.24.2 Intent. 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. Section 9204 of the Public Contract Code prescribes a process for negotiation and mediation to resolve disputes on construction claims. The intent of this Article is to implement Sections 20104 et seq. and Section 9204 of the California Public Contract Code. This Article shall be construed to be consistent with said statutes.

3.24.3 Claims. For purposes of this Article, "Claim" means a separate demand by the Contractor, after a change order duly requested in accordance with Article 49 has been denied by the City, for (1) a time extension, (2) payment of money or damages arising from Work done by or on behalf of the Contractor pursuant to the Contract, or (3) an amount the payment of which is disputed by the City. A "Claim" does not include any demand for payment for which the Contractor has failed to provide notice, request a change order, or otherwise failed to follow any procedures contained in the Contract Documents.

3.24.4 Filing Claims. Claims governed by this Article may not be filed unless and until the 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 procedures contained in Article 49, and Contractor's request for a change has been denied in whole or in part. Claims governed by this Article must be filed no later than fourteen (14) days after a request for change has been denied in whole or in part or after any other event giving rise to the Claim. Any claim must 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 herein 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.

3.24.5 Supporting Documentation. The Contractor shall submit all Claims in the following format:

3.24.5.1 Summary of claim merit and price, and Contract clause pursuant to which the claim is made.

3.24.5.2 List of documents relating to claim

- (A) Specifications
- (B) Drawings
- (C) Clarifications (Requests for Information)
- (D) Schedules

(E) Other

3.24.5.3 Chronology of events and correspondence

3.24.5.4 Narrative analysis of claim merit

3.24.5.5 Analysis of claim cost, including calculations and supporting documents

3.24.5.6 Analysis of time impact analysis in CPM format if a time extensions is requested

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

3.24.6 City Response to Claim.

3.24.6.1 Upon receipt of a Claim pursuant to this Article, the City shall conduct a reasonable review of the Claim and, within a period not to exceed 45 days of receipt of the claim, or as extended by mutual agreement, shall provide 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 days after the City issues its written response.

3.24.6.2 If the City needs approval from City Council to provide Contractor a written statement as set forth above, and City Council does not meet within the 45 days or within the mutually agreed to extension of time following receipt of a Claim, the City shall have up to three (3) days following the next publicly noticed meeting of City Council after the 45-day period, or extension, expires to provide Contractor a written statement identifying the disputed portion and the undisputed portion of the Claim.

3.24.6.3 The City may request, in writing, within 30 days of receipt of the claim, any additional documentation supporting the claim or relating to defenses or claims the City may have. If additional information is needed thereafter, it shall be provided upon mutual agreement of the City and the claimant. The City's written response shall be submitted 30 days (15 days if the Claim is less than \$50,000) after receiving the additional documentation, or within the same period of time taken by the claimant to produce the additional information, whichever is greater.

3.24.7 Meet & Confer Conference. If the Contractor disputes the City's response, or if the City fails to respond within the statutory time period(s), the Contractor may so notify the City within 15 days of the receipt of the response or the failure to respond, and demand an informal conference to meet and confer for settlement of those portions of the Claim that remain in dispute. Upon such demand, the City shall schedule a meet and confer conference within 30 Days.

3.24.8 Mediation. Within 10 business days following the conclusion of the meet and confer conference, if the claim or any portion thereof remains in dispute, the City shall provide the Contractor with 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 Days after the City issues its written statement. Any portion of the claim that remains in dispute shall be submitted to nonbinding mediation and the City and the Contractor shall equally share the associated mediator fees. The City and Contractor shall mutually agree to a mediator within 10 business 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.

3.24.8.1 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.

3.24.8.2 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.

3.24.8.3 Unless otherwise agreed to by the public entity and the 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.

3.24.8.4 The mediation shall be held no earlier than the date the Contractor completes the Work or the date that the 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.

3.24.9 Procedures After Mediation. If following the mediation, the claim or any portion remains in dispute, the 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 prior to initiating litigation. 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 the 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.

3.24.10 Civil Actions. The following procedures are established for all civil actions filed to resolve Claims of \$375,000 or less:

3.24.10.1 Within 60 Days, but no earlier than 30 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 this Agreement. The mediation process shall provide for the selection within 15 Days by both parties of a disinterested third person as mediator, shall be commenced within 30 Days of the submittal, and shall be concluded within 15 Days from the commencement of the mediation unless a time requirement is extended upon a good cause showing to the court.

3.24.10.2 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.

3.24.11 In addition to any and all requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, construction claims and/or changed conditions, the Contractor must comply with the claim procedures set forth in Government Code section 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, construction claims, and/or changed conditions have been followed by Contractor. If no such Government Code claim is submitted, or if the prerequisite contractual requirements are not otherwise satisfied as specified herein, Contractor shall be barred from bringing and maintaining a valid lawsuit against the City.

3.25 State License Board Notice. 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 four (4) 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.

3.26 Equal Opportunity Employment. 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.

3.27 Anti-Trust Claims. This provision shall be operative if this Contract is applicable to California Public Contract Code Section 7103.5. In entering into this Contract to supply goods, services or materials, the Contractor hereby offers and agrees to assign to the City 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. This assignment shall be made and become effective at the time the City tender final payment to the Contractor, without further acknowledgment by the Parties.

3.28 Notices. All notices hereunder and communications regarding interpretation of the terms of the Contract or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

CONTRACTOR: **MOHAWK COMMERCIAL, INC.** 160 SOUTH
INDUSTRIAL BLVD. CALHOUN, GA 30701
ATTN: **TAMMY LAND, SENIOR PROJECT
MANAGER**

CITY: CITY OF SIGNAL HILL
2175 CHERRY AVENUE
SIGNAL HILL, CA 90755
ATTN: **MARGARITA BELTRAN, CONTRACTS
MANAGER**

Any notice so given shall be considered received by the other Party forty-eight (48) hours after deposit in the U.S. Mail as stated above and addressed to the Party at the above address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.29 Entire Contract; Modification. This Contract contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Contract may only be modified by a writing signed by both Parties.

3.30 Time of Essence. Time is of the essence in the performance of this Contract.

3.31 Assignment Forbidden. Contractor shall not, either voluntarily or by action of law, assign or transfer this Contract or any obligation, right, title or interest assumed by Contractor herein without the prior written consent of City. If Contractor attempts an assignment or transfer of this Contract or any obligation, right, title or interest herein, City may, at its option, terminate and revoke the Contract and shall thereupon be relieved from any and all obligations to Contractor or its assignee or transferee.

3.32 Governing Law. This Contract shall be governed by the laws of the State of California. Venue shall be in Los Angeles County.

3.33 Counterparts. This Contract may be executed in counterparts, each of which shall constitute an original.

3.34 Successors. The Parties do for themselves, their heirs, executors, administrators, successors, and assigns agree to the full performance of all of the provisions contained in this Contract.

3.35 Attorneys' Fees. If either Party commences an action against the other Party, either legal administrative or otherwise, arising out of or in connection with this Contract, the prevailing Party in such action shall be entitled to have and recover from the losing Party reasonable attorneys' fees and all other costs of such action.

3.36 Prohibited Interests.

3.36.1 Solicitation. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for

Contractor, to solicit or secure this Contract. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, City shall have the right to terminate this Contract without liability.

3.36.2 Conflict of Interest. For the term of this Contract, no official, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Contract, or obtain any present or anticipated material benefit arising therefrom.

3.37 Certification of License. Contractor certifies that as of the date of execution of this Contract, Contractor has a current contractor's license of the classification indicated below under Contractor's signature.

3.38 Authority to Enter Contract. Contractor has all requisite power and authority to conduct its business and to execute, deliver and perform the Contract. Each Party warrants that the individuals who have signed this Contract have the legal power, right and authority to make this Contract and bind each respective Party.

IN WITNESS WHEREOF, each of the Parties has caused this Contract to be executed on the day and year first above written.

CITY OF SIGNAL HILL

MOHAWK COMMERCIAL, INC.

By: _____
Carlo Tomaino
City Manager

By: _____
Mike Gallman
President

ATTEST:

By: _____
Earle Jenkins,
SVP Education & Government

By: _____
Tina Knapp
Assistant City Clerk

APPROVED AS TO FORM:

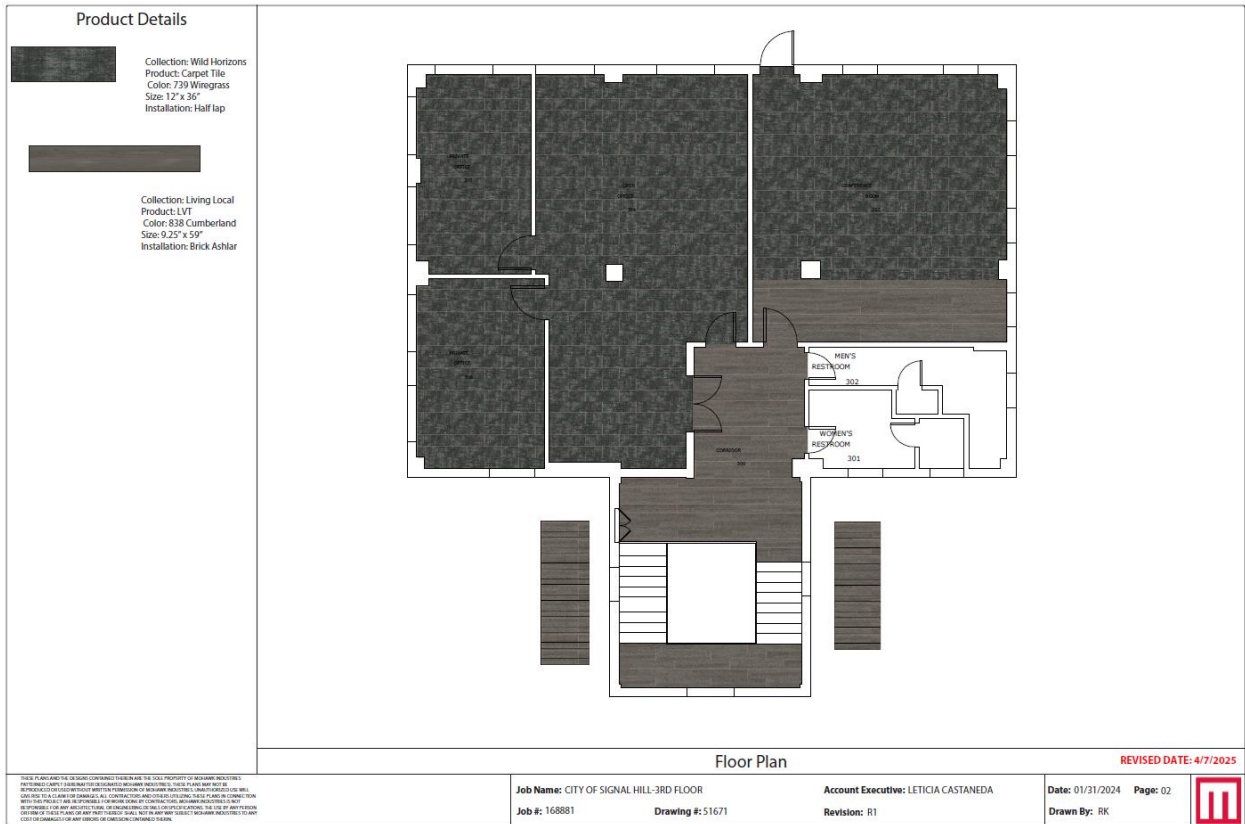
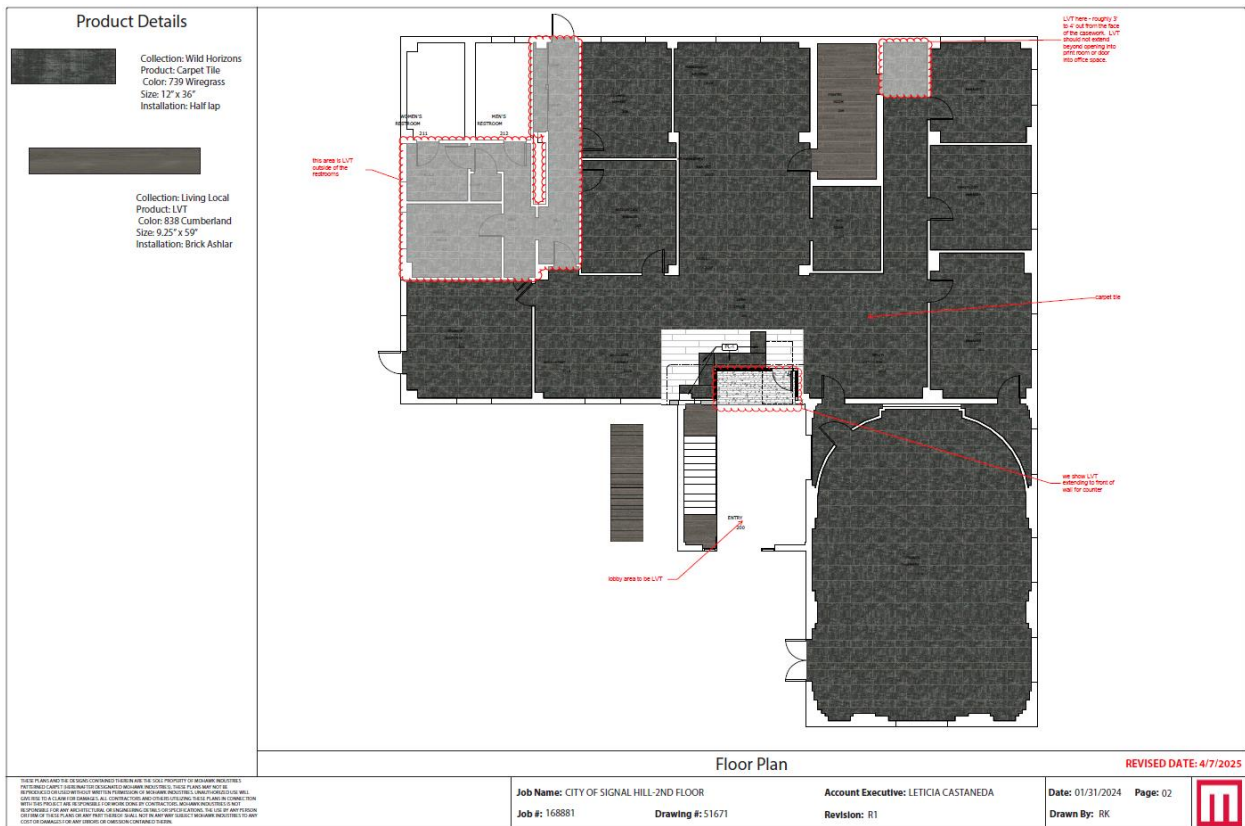
By: _____
Best Best & Krieger LLP
City Attorney

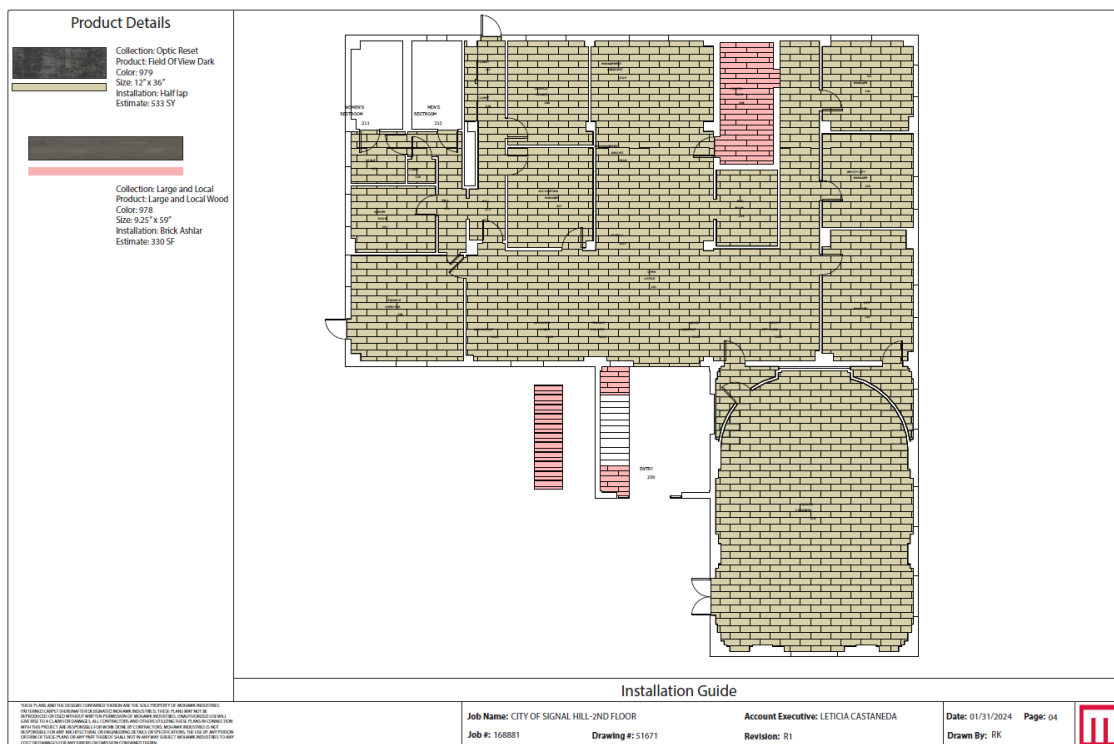
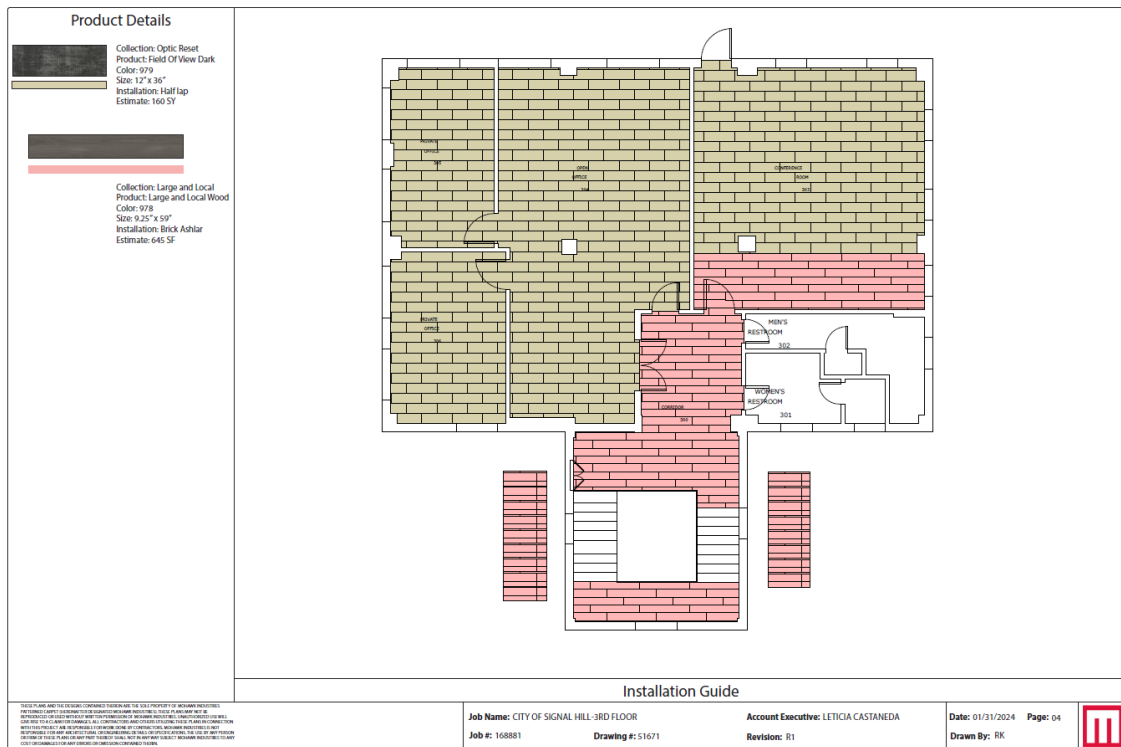
EXHIBIT "A"

PLANS AND SPECIFICATIONS

The drawings and specifications shown below, dated January 31, 2024 and April 7, 2025 are incorporated into this Contract herein by this reference.







Product Details


Collection: Optic Reset
Product: Field Of View Dark
Color: 979
Size: 12" x 36"
Installation: Half Lap
Estimate: 491 SF

Collection: Large and Local
Product: Large and Local Wood
Color: 978
Size: 9.25" x 59"
Installation: Brick Ashlar
Estimate: 611 SF

Installation Guide

THESE PLANS AND THE TILES SHOWN THEREON ARE THE SOLE PROPERTY OF MCQUINN INDUSTRIES INC. (MCQUINN). ANY REUSE OR MODIFICATION OF THESE PLANS WITHOUT THE WRITTEN PERMISSION OF MCQUINN IS STRICTLY PROHIBITED. THE USER OF THESE PLANS ASSUMES ALL LIABILITY FOR ANY ERRORS OR OMISSIONS. THE USER OF THESE PLANS ASSUMES ALL LIABILITY FOR ANY ERRORS OR OMISSIONS. THE USER OF THESE PLANS ASSUMES ALL LIABILITY FOR ANY ERRORS OR OMISSIONS.

Job Name: CITY OF SIGNAL HILL-1ST FLOOR	Account Executive: LETICIA CASTANEDA	Date: 01/31/2024	Page: 04
Job #: 168881	Drawing #: 51671	Revision: R1	Drawn By: RK

EXHIBIT "B"

COMPENSATION

Total compensation due to Mohawk shall be \$157,373.54 as shown below (Quotation # TLJ05223 dated 8/6/2025).

Payment and performance bond required.

Main Bid							
Style, Size, Backing, Description	Color Name	Color Number	Quantity	UoM		Unit Price	Line Total
GT366 Wild Horizons 12" x 36" Carpet Plank - Ecoflex One backing (4.6652 SY per carton)	Wiregrass	739	1,110.56	SY	Ⓢ	\$ 28.64	\$ 31,806.44
C2120 Living Local Woods 4.5MM 9.25" x 59" LVT (26.800F per carton)	Cumberland	838	3,162.40	SF	Ⓢ	\$ 3.74	\$ 11,827.38
Payment/Performance Bonds			150.00	EA	Ⓢ	\$ 7.14	\$ 1,071.00
Enpress pressure sensitive releasable for EcoFlex Matrix, NXT, ONE & Air carpet tile and plank (4 gal) / spread rate 140-160 sy 3/8" nap roller			12.00	EA	Ⓢ	\$ 145.41	\$ 1,744.92
M99 adhesive (4 gal) / spread rate 880-1040 sf			4.00	EA	Ⓢ	\$ 220.32	\$ 881.28
REGION 4 PREVAILING WAGE RATES							
Installation Carpet Tile			1,100.00	SY	Ⓢ	\$ 16.32	\$ 17,952.00
Removal of Broadloom (Direct Glue Down)			1,100.00	SY	Ⓢ	\$ 7.26	\$ 7,990.40
Carpet Disposal			1,100.00	SY	Ⓢ	\$ 1.70	\$ 1,871.65
Installation of Luxury Vinyl Tile (Planks or Squares)			3,132.00	SF	Ⓢ	\$ 4.28	\$ 13,392.43
Moisture Testing - 2nd floor lobby only			3.00	EA	Ⓢ	\$ 332.55	\$ 997.65
Floor Prep - Skim Coating to 1/8 inch (Material and Labor)			11,712.00	SF	Ⓢ	\$ 1.11	\$ 13,000.32
OPEN MARKET (N&P) ITEMS (LABOR):							
Furnish / install Stair Nosing matching LVT (abrasive tape on the first and last step) - 4 Stairs & Stair Nosing for Council Chamber & 2step at main entrance			376.00	LF	Ⓢ	\$ 33.18	\$ 12,475.68
Furnish Wood Base 1/2 x 5"	White		702.00	LF	Ⓢ	\$ 6.80	\$ 4,773.60
Install 4.5 Mandalay Millwork	Iceicle		1,900.00	LF	Ⓢ	\$ 8.88	\$ 16,872.00
Care Charge (California Only)			1,101.22	SY	Ⓢ	\$ 1.49	\$ 1,640.82
Freight			1.00	EA	Ⓢ	\$ 4,000.00	\$ 4,000.00
Subtotal							\$ 142,287.57
Estimated Sales Tax							\$ 8,138.26
TOTAL							\$ 150,425.83

CO - IT Rm 121, Mail Rm 206, Vault Rm 206 (includes ramp)

Style, Size, Backing, Description	Color Name	Color Number	Quantity	UoM		Unit Price	Line Total
GT366 Wild Horizons 12" x 36" Carpet Plank - Ecoflex One backing (4.6662 SY per carton)	Wiregrass	739	32.67	SY	Ⓢ	\$ 28.64	\$ 935.67
C2120 Living Local Woods 4.5MM 9.25" x 59" LVT (26.808F per carton)	Cumberland	838	187.60	SF	Ⓢ	\$ 3.74	\$ 701.62
CRW03 4" Rubber Coved Wall Base - Rolls (120LF per ctn)	Smoke	955	240.00	LF	Ⓢ	\$ 1.05	\$ 252.00
Payment/Performance Bonds			7.00	EA	Ⓢ	\$ 7.14	\$ 49.98
Enpress pressure sensitive releasable for EcoFlex Matrix, NXT, ONE & Air carpet tile and plank (4 gal) / spread rate 140-160 sy 3/8" nap roller			1.00	EA	Ⓢ	\$ 145.41	\$ 145.41
M99 adhesive (1 gal) / spread rate 220-260 sf			1.00	EA	Ⓢ	\$ 66.10	\$ 66.10
M45 wall base adhesive (30 oz cartridge) / spread rate 50 LF of 4" base or 30 LF of 6" base			5.00	EA	Ⓢ	\$ 6.93	\$ 34.65
REGION 4 PREVAILING WAGE RATES							
Installation Carpet Tile			30.00	SY	Ⓢ	\$ 16.32	\$ 489.60
Removal of Broadloom (Direct Glue Down)			30.00	SY	Ⓢ	\$ 7.26	\$ 217.92
Removal/Disposal Resilient Flooring (VCT)			48.00	SY	Ⓢ	\$ 1.88	\$ 90.24
Carpet Disposal			30.00	SY	Ⓢ	\$ 1.70	\$ 51.05
Installation of Luxury Vinyl Tile (Planks or Squares)			162.00	SF	Ⓢ	\$ 4.28	\$ 692.71
Install Base, Standard 4-Inch Vinyl/Rubber Blend, Black/Brown	TBD	TBD	240.00	LF	Ⓢ	\$ 4.73	\$ 1,136.16
Floor Prep - Skim Coating to 1/8 Inch (Material and Labor)			450.00	SF	Ⓢ	\$ 1.48	\$ 666.00
Floor Prep - Self Leveling to 1/4 Inch (Material and Labor) - Includes raising the floor at 2 doors, vault rm 206			450.00	SF	Ⓢ	\$ 1.54	\$ 693.00
Care Charge (California Only)			32.67	SY	Ⓢ	\$ 1.49	\$ 48.68
Freight			1.00	EA	Ⓢ	\$ 300.00	\$ 300.00

Subtotal	\$ 8,670.78
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Estimated Sales Tax	\$ 366.92
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TOTAL	\$ 8,937.71
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Grand Total - Subtotals	\$ 148,868.36
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Grand Total - Sales Tax	\$ 8,505.18
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GRAND TOTAL - TOTALS	\$ 157,373.54
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PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the City of Signal Hill (hereinafter referred to as "City") has awarded to _____, (hereinafter referred to as the "Contractor") an agreement for _____ (hereinafter referred to as the "Project").

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

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

NOW, THEREFORE, we, _____, the _____ undersigned _____ Contractor and _____ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the City in the sum of _____ DOLLARS and _____ CENTS (\$ _____), said sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

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

As a condition precedent to the satisfactory completion of the Contract Documents, unless otherwise provided for in the Contract Documents, the guarantee obligation shall hold good for a period of one (1) year after the acceptance of the work by City, during which time if Contractor shall fail to make full, complete, and satisfactory repair and replacements and totally protect the City from loss or damage resulting from or caused by defective materials or faulty workmanship the above obligation in penal sum thereof shall remain in full force and effect. However, anything in this paragraph to the contrary notwithstanding, the obligations of Surety hereunder shall continue so long as any obligation of Contractor remains. Nothing herein shall limit the City's rights or the Contractor or Surety's obligations under the Contract Documents, law or equity, including, but not limited to, California Code of Civil Procedure section 337.15.

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

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

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

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

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

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

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

Name of Contractor/Principal (Type or Print)

By: _____
Name (Signature)

Name (Type or Print)

Title (Type or Print)

SURETY
(Seal of Surety)

Name of Surety (Type or Print)

By: _____
Attorney-In-Fact

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

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

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

THIS IS A REQUIRED FORM

Any claims under this bond may be addressed to:

(Name and Address of Surety)

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

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

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

END OF PERFORMANCE BOND FORM

**SECTION 00620
PAYMENT BOND**

KNOW ALL MEN BY THESE PRESENTS That

WHEREAS, the City of Signal Hill (hereinafter designated as the "City"), by action taken or a resolution passed _____, 20____ has awarded to _____ hereinafter designated as the "Principal," a contract for the work described as follows: _____ (the "Project"); and

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

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

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

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

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

It is further stipulated and agreed that the Surety on this bond shall not be exonerated or released from the obligation of this bond by any change, extension of time for performance, addition,

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

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

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

SIGNATURES ON FOLLOWING PAGE

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

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

Name of Contractor/Principal (Type or Print)

By: _____
Name (Signature)

Name (Type or Print)

Title (Type or Print)

SURETY
(Seal of Surety)

Name of Surety (Type or Print)

By: _____
Attorney-In-Fact

Notary Acknowledgment

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

STATE OF CALIFORNIA

COUNTY OF _____

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

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

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

WITNESS my hand and official seal.

Signature of Notary Public

OPTIONAL

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

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- ☐ Individual
☐ Corporate Officer

Title(s)

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

EXHIBIT "C"

INSURANCE REQUIREMENTS

1.1 Insurance.

1.1.1 Time for Compliance. Contractor shall not commence work under this Contract until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the City that the subcontractor has secured all insurance required under this section.

1.1.2 Types of Insurance Required. As a condition precedent to the effectiveness of this Contract for work to be performed hereunder, and without limiting the indemnity provisions of the Contract, the Contractor, in partial performance of its obligations under such Contract, shall procure and maintain in full force and effect during the term of the Contract the following policies of insurance. If the existing policies do not meet the insurance requirements set forth herein, Contractor agrees to amend, supplement or endorse the policies to do so. Limits are satisfied by combination of primary and umbrella/excess limits.

(A) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 0001, or the exact equivalent, and shall be no less than \$1,000,000 per occurrence and no less than \$2,000,000 in the general aggregate. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to the Contract.

(B) Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 0001 covering "Any Auto" (Symbol 1), or the exact equivalent, covering bodily injury and property damage for all activities shall be in an amount of not less than \$1,000,000 combined limit for each occurrence. Coverage shall include loading and unloading activities.

(C) Workers' Compensation: Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

(D) Builder's Risk Insurance ["All Risk"]: The City has obtained Builder's Risk ["All Risk"] extended coverage insurance for the Project. Contractor shall **NOT** procure Builder's Risk ["All Risk"] insurance for this Project, and shall **NOT** include the cost of said coverage in its bid price/the Contract Price.

1.1.3 Endorsements. Required insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms approved by the City to add the following provisions to the insurance policies:

(A) Commercial General Liability:

(1) Additional Insured: The City, its officials, officers, employees, agents, and volunteers shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Contract.

Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of Contractor; or (4) contain any other exclusions contrary to the terms of purposes of this Contract. For all policies of Commercial General Liability insurance, Contractor shall provide endorsements in the form of ISO CG 20 10 10 01 and 20 37 10 01 (or endorsements providing the exact same coverage) to effectuate this requirement.

(2) Cancellation: Required insurance policies shall not be canceled or terminated until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(B) Automobile Liability:

(1) Cancellation: Required insurance policies shall not be canceled or terminated until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(C) Workers' Compensation:

(1) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the City, its officials, officers, employees, agents and volunteers.

(2) Cancellation: Required insurance policies shall not be canceled or terminated until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

1.1.4 Primary and Non-Contributing Insurance. All policies of Commercial General Liability, Automobile Liability insurance (if required) shall be primary and any other insurance, deductible, or self-insurance maintained by the City, its officials, officers, employees agents or volunteers shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

1.1.5 Waiver of Subrogation. All policies of Commercial General Liability, Automobile Liability insurance (if required) shall contain or be endorsed to waive subrogation against the City, its officials, officers, employees, agents, and volunteers or shall specifically allow Contractor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Contractor hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

1.1.6 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention shall protect the City, its officials, officers, employees, agents and volunteers in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

1.1.7 Evidence of Insurance. The Contractor, concurrently with the execution of the Contract, and as a condition precedent to the effectiveness thereof, shall deliver original certificates on forms approved by the City, together with all endorsements affecting each policy. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for approval. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, and not replaced immediately so as to avoid a lapse in the required coverage, Contractor shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

1.1.8 Failure to Maintain Coverage. In the event any policy of insurance required under this Contract does not comply with these specifications or is canceled and not replaced immediately so as to avoid a lapse in the required coverage, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Contractor or City will withhold amounts sufficient to pay premium from Contractor payments. In the alternative, City may cancel this Contract, effective upon notice.

1.1.9 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to transact business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

1.1.10 Enforcement of Contract Provisions (non estoppel). Contractor acknowledges and agrees that actual or alleged failure on the part of the City to inform Contractor of non-compliance with any requirement imposes no additional obligation on the City nor does it waive any rights hereunder.

1.1.11 Requirements Not Limiting. Requirement of specific coverage or minimum limits contained in this Appendix are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance.

1.1.12 Insurance for Subcontractors. Consultant shall include all Subcontractors as additional insureds under the Contractor's policies, or the Contractor shall be responsible for causing Subcontractors to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the City, its officials, officers, employees, agents and volunteers as additional insureds to the Subcontractor's policies. All policies of Commercial General Liability insurance provided by Subcontractors shall be endorsed to name the City, its officials, officers, employees, agents and volunteers as additional insureds using endorsement form ISO CG 20 38 04 13. Contractor shall not allow any Subcontractor to commence work until it has received satisfactory evidence of Subcontractor's compliance with all insurance requirements under this Contract, to the extent applicable. The Contractor shall provide satisfactory evidence of compliance with this section upon request of the City.

EXHIBIT "D"
LABOR CERTIFICATION

LABOR CODE - SECTION 1861

I, the undersigned Contractor, am aware of the provisions of Section 3700, et seq., of the California 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 the Code, and I, the undersigned Contractor, agree to and will comply with such provisions before commencing the performance of the Work on this Contract.

MOHAWK COMMERCIAL, INC.

Signature_____

Name_____

Title_____

Dated_____