



COUNTY OF LOS ANGELES
DEPARTMENT OF PARKS AND RECREATION
"Creating Community Through People, Parks and Programs"

Russ Guiney, Director

February 7, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**APPROVAL OF APPROPRIATION ADJUSTMENT
AWARD A CONSTRUCTION CONTRACT
FOR THE BELVEDERE PARK SKATEPARK PROJECT
C.P. NO. 69238, SPEC. NO. 04-0030
(First District - 4 Vote Matter)**

**JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER THAT
YOUR BOARD:**

1. Approve the attached appropriation adjustment (Attachment C) to increase the revenue and appropriation in the amount of \$100,000 to fully fund the total revised project budget of \$1,118,891 for the Belvedere Park Skatepark Project detailed in Attachment A.
2. Approve the award of a construction contract to Sunrise Construction in the amount of \$808,946 for the Belvedere Park Skatepark project.
3. Approve a change order contingency fund of \$80,895 (10 percent of the construction contract) for the Belvedere Park Skatepark, and authorize the Director of Parks and Recreation to order changes and additions in the work in accordance with Public Contract Code Section 20142.
4. Approve and instruct the Mayor to sign the attached Construction Contract Agreement (Attachment D) and approve the Bond for Faithful Performance and the Payment Bond for Labor and Materials filed by the Contractor.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended actions will fulfill the project funding requirements, award a construction contract to Sunrise Construction for the Belvedere Park Skatepark project, establish a change order contingency fund, and authorize the Director of Parks and Recreation to order changes and additions to the work in accordance with Public Contract Code Section 20142, thus allowing the Department of Parks and Recreation (DPR) to proceed with construction of the Belvedere Park Skatepark project.

On September 20, 2005, your Board adopted plans and specifications, and authorized advertising for construction bids for the project. On October 25, 2005, two bids were received. Sunrise Construction, with a total bid of \$808,946, including \$773,437 for the base bid and \$35,509 for the five additive bid alternates, is the apparent lowest responsive and responsible bidder. We are recommending that your Board award the contract to Sunrise Construction. The bid results are summarized in Attachment B.

The proposed project includes construction of an in-ground concrete skatepark facility designed for skateboarders and rollerbladers, entry signage, sport lighting, tubular steel fence and gate, Americans with Disabilities Act (ADA) compliant picnic table and drinking fountain, litter receptacle, reseeding of turf areas, adjusting the irrigation system, landscape shrubs, and trees.

In addition, the scope of work includes refurbishments to the existing restroom including fixture and toilet partition upgrades for ADA compliance, exterior paint, new tile floors and new vent grills. The ceilings will be renovated to provide access to natural sunlight by the addition of new skylights.

The project also includes as additive alternative items, the installation of a shade structure, bench, decorative fence panel, and aluminum bleachers on a concrete pad.

As part of the project, the planting of trees, shrubs, and container-stock ground cover will be performed by at-risk youth.

Implementation of Strategic Plan Goals

The new skatepark and site improvements planned at Belvedere Park will enhance County Strategic Plan Goals for Service Excellence (Goal Number 1) Fiscal Responsibility (Goal Number 4), Children and Families' Well-Being (Goal Number 5), and Community Services (Goal Number 6) by investing in public infrastructure to create a recreational facility that will serve the growing number of skateboarders, especially youth, in the unincorporated community of East Los Angeles.

FISCAL IMPACT/FINANCING

The construction budget includes the construction contract amount of \$808,946 (inclusive of additive alternate items in the amount of \$35,509), and a change order contingency fund of \$80,895 (10 percent of the construction contract amount). The total project budget (see Attachment A), including plans and specifications, plan review, construction, change order contingency, unforeseen conditions, consultant services, at-risk youth and County services, is currently estimated at \$1,118,891 which is \$100,000 higher than the budget previously approved by your Board on September 20, 2005.

The proposed project is funded by a Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000 (Proposition 12) Per Capital Grant (\$768,891) and a California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Bond Act of 2002 (Proposition 40) Per Capita Grant (\$250,000). Upon your Board's approval of the appropriation adjustment, sufficient funds will be available to award the construction contract. A Grant Amendment for the additional \$100,000 Proposition 40 Per Capita funds will be forwarded to the State for execution. Additionally, the project budget has been adjusted to reflect actual and projected expenditures (Attachment A).

Operating Budget Impact:

Based on the project description and current salary and employee benefits rates, the Department estimates one-time start-up costs of \$8,270 for maintenance equipment and supplies, and a mobile storage unit for safety equipment. In addition the Department anticipates an increase of \$59,262 in ongoing costs to staff, operate and maintain the facility. This includes salaries and employee benefits for maintenance and recreation staff, and services and supplies for utilities, maintenance supplies, and safety equipment.

The Department is working with the Chief Administrative Office to determine the appropriate operating requirements and available funding. According to the current project construction schedule, the operating costs will be incurred beginning in FY 2006-07.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Department of Parks and Recreation is seeking delegated authority to approve changes or additions to the project scope in accordance with the requirements of Public Contract Code Section 20142 and subject to the limits thereof. The requested change order contingency fund for the Belvedere Park Skatepark project is \$80,895 (10 percent of the construction contract).

As required by your Board, the contract documents include language requiring the Contractor and its subcontractors to have a written policy stating that their employees shall annually receive no less than five (5) days of regular pay for actual jury service. The contract documents also include the other applicable Board-mandated provisions, including: notification about eligibility for federal earned income credit, the County's non-responsibility and debarment ordinance; participation in the County's GAIN/GROW Program; Safely Surrendered Baby Law; and reporting solicitation of improper consideration by County employees.

As required by your Board, Sunrise Construction has submitted the required information concerning the principal owners to the Child Support Services Department and is in compliance with any court ordered child, family and spousal support obligations, if applicable.

Under the provisions of the County of Los Angeles Regional Park and Open Space District policy on employment of youth, the Youth Employment Minimum Obligation of the County of Los Angeles is \$15,739,750. The County of Los Angeles has met its Youth Employment Goal; however, Parks and Recreation continues to actively pursue employment opportunities for at-risk youth, and will employ youth on this project.

As required by your Board, DPR posted the Notice Inviting Construction Bids on September 21, 2005, on the County's Office of Small Business web site.

These requirements have been reviewed and approved by County Counsel.

CONTRACTING PROCESS

On September 20, 2005, your Board adopted Plans and Specifications No. 04-0030 for the Belvedere Park Skatepark project, at an estimated construction cost of \$687,659, and instructed the Executive Officer-Clerk of the Board to advertise for construction bids in accordance with the "Instruction Sheet for Publishing Legal Advertisement."

On October 25, 2005, two (2) bids were received for the Belvedere Park Skatepark project (see Attachment B). Sunrise Construction was found to be the lowest responsive and responsible bidder and met the criteria adopted by your Board. Accordingly, DPR is recommending that the construction contract for the Belvedere Park Skatepark project be awarded to Sunrise Construction.

As of January 30, 2006, Mr. George Zadrozny, a sole proprietor dba Sunrise Construction, intends to incorporate. The Department expects to execute an assignment and assumption agreement signed by the Director, pursuant to which said newly-formed corporate entity will be assigned and will undertake all of the rights, duties and obligations of the construction contract.

IMPACT ON CURRENT SERVICES

It is anticipated that construction will begin in February 2006, and will be completed in October 2006. The park will remain open during construction of the project, with the exception of the undeveloped field designated for the new skatepark. To reduce the disruption of restroom service during refurbishment of the existing restroom building, the Contractor will provide two (2) portable toilets, one (1) of which will be handicap accessible, for public use during construction.

A construction signboard informing the public of the upcoming construction will also be posted 30 days prior to the start of construction and flyers explaining the project will be circulated.

ENVIROMENTAL DOCUMENTATION

On September 20, 2005, your Board found this project to be categorically exempt from the California Environmental Quality Act.

CONCLUSION

Please instruct the Executive Officer-Clerk of the Board to forward one (1) conformed copy of this letter to the Chief Administrative Office, Capital Projects Division and four (4) conformed copies to the Department of Parks and Recreation.

Respectfully submitted,



Russ Guiney
Director



David E. Janssen
Chief Administrative Officer

Attachments (3)

Al:belvedereskateparkawardbl.doc

c: Executive Office (22)
County Counsel

**AWARD A CONSTRUCTION CONTRACT
FOR THE BELVEDERE PARK SKATEPARK PROJECT
C.P. NO. 69238, SPEC. NO. 04-0030
(First District - 4 Vote Matter)**

Project Activity	Scheduled Completion Date	Revised Completion Date	Date Completed
1. Land Acquisition	N/A	N/A	N/A
2. Environmental Impact Report	N/A	N/A	N/A
3. Program	12-03	12-03	12-03
4. Schematic Design	12-03	12-03	12-03
5. Design Development	02-04	02-04	02-04
6. Construction Documents	02-05	02-05	02-05
7. Jurisdictional Approval	N/A	N/A	N/A
8. Construction Contract Award	11-05	2-06	
9. Construction Start	12-05	02-06	
10. Beneficial Occupancy	06-06	08-06	
11. Final Acceptance	08-06	10-06	

II. PROJECT COST SUMMARY

Cost Category	Estimated Project Cost	Impact of Proposed Action	Revised Project Cost
1. Land Acquisition	N/A	N/A	N/A
2. Plans and Specifications	\$57,844	\$1,600	\$59,444
3. Plan Review	\$6,000	\$2,508	\$8,508
4. Make-Ready Activities	N/A	N/A	N/A
5. Construction Contract	\$687,659	\$121,287	\$808,946
6. Change Order/Contingencies	\$68,766	\$12,129	\$80,895
7. Equipment	N/A	N/A	N/A
8. Consultant Services	\$19,735	\$6,000	\$25,735
9. County Services	\$171,144	<\$43,524>	\$127,620
10. Youth Employment Plan*	\$7,743	\$0	\$7,743
TOTAL	\$1,018,891	\$100,000	\$1,118,891

* Including youth employment, supervision, and materials.

ATTACHMENT B

**AWARD A CONSTRUCTION CONTRACT
FOR THE BELVEDERE PARK SKATEPARK PROJECT
C.P. NO. 69238, SPEC. NO. 04-0030
(First District - 4 Vote Matter)**

<u>BIDDER</u>	<u>LUMP SUM BID</u>
1. Sunrise Construction	\$773,437
2. Icon West, Inc.	\$1,555,524

COUNTY OF LOS ANGELES
REQUEST FOR APPROPRIATION ADJUSTMENT DEPT'S No. 600-AS
DEPARTMENT OF PARKS AND RECREATION November 28, ~~X~~ 2005

AUDITOR-CONTROLLER.
THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

4-VOTE MATTER

FINANCIAL SOURCES:

Capital Project/Refurbishment
Belvedere Local Park (1)
New Skate Park Facility
Rev: State-Prop 40/CP
A01 - CP - 69238 - 882B
\$100,000 Increase Revenue

FINANCIAL USES:

Capital Project/Refurbishment
Belvedere Local Park (1)
New Skate Park Facility
Building & Improvements - F/A
A01 - CP - 69238 - 6014
\$100,000 Increase Appropriation

JUSTIFICATION: Adjustment is necessary to increase the revenue and appropriation in order to provide sufficient funds to award the construction contract to Sunrise Construction for Belvedere Park Skate Park Project.

Ahmed Bahbah, Accounting Officer III

CHIEF ADMINISTRATIVE OFFICER'S REPORT

REFERRED TO THE CHIEF ADMINISTRATIVE OFFICER FOR—	ACTION	APPROVED AS REQUESTED	AS REVISED
✓	RECOMMENDATION	<u>Jan 26, 2006</u> X 2005	<u>Jan 26, 2006</u> X 2005
AUDITOR-CONTROLLER BY <u>Heidi Jung</u>	DEC. 15 X 2005	APPROVED (AS REVISED): BOARD OF SUPERVISORS	<u>Jan 26, 2006</u> X 2005 CHIEF ADMINISTRATIVE OFFICER
No. <u>212</u>		BY	DEPUTY COUNTY CLERK

ATTACHMENT C

**APPROVAL OF APPROPRIATION ADJUSTMENT
AWARD A CONSTRUCTION CONTRACT
FOR THE BELVEDERE PARK SKATEPARK PROJECT
C.P. NO. 69238, SPEC. NO. 04-0030
(First District - 4 Vote Matter)**

FINANCIAL SOURCES:

Capital Project/Refurbishment
Belvedere Local Park (1)
New Skate Park Facility
Rev: State-Prop 40/CP
A01 - CP - 69238 – 882B
\$100,000 Increase Revenue

FINANCIAL USES:

Capital Project/Refurbishment
Belvedere Local Park (1)
New Skate Park Facility
Building & Improvements
A01 – CP – 69238 - 6014
\$100,000 Increase Appropriation

JUSTIFICATION: Adjustment is necessary to increase the revenue and appropriation in order to provide sufficient funds to award the construction contract to Sunrise Construction for Belvedere Park Skate Park Project.

ATTACHMENT D

CONSTRUCTION CONTRACT AGREEMENT
(see attached)

AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 2006, by and between the COUNTY OF LOS ANGELES, State of California (hereinafter called the County), and

Sunrise Construction
24738 Gallineta Way
Ramona, California 92065
(760) 440-0011

(hereinafter called the Contractor),

W I T N E S S E T H

FIRST: That the Contractor, in consideration of the promises of the County hereinafter set forth, hereby agrees to furnish all tools, equipment, labor and material necessary to perform and complete in a good and workmanlike manner,

**BELVEDERE PARK SKATEPARK
CAPITAL PROJECT NO. 69238
4914 Cesar Chavez Avenue
Los Angeles, California 90022
SPEC. NO. 04-0030**

within the time and in accordance with the recommendation of the Director of the Department of Parks and Recreation, dated February 7, 2006, Plans and Specifications No. 04-0030, the Notice Inviting Bids, and the lump sum bid of the Contractor, each of which is incorporated herein as though fully set forth, and all of which are hereby agreed by the parties to constitute the contract documents.

SECOND: That the County agrees, in consideration of the performance of this contract, to pay to the Contractor, and the Contractor agrees to accept in full satisfaction for the work done hereunder, a sum of **\$808,946 (Eight Hundred and Eight Thousand Nine Hundred Forty Six Dollars and No Cents)**, which sum shall be paid to the Contractor at the time and in the manner set forth in the specifications.

IN WITNESS WHEREOF, the County has, by order of its Board of Supervisors, caused these presents to be subscribed by the Chairman of said Board and the seal of the Board to be affixed and attested by the Clerk thereof, and the Contractor has hereunto subscribed his name, as a sole proprietor, dba Sunrise Construction, the day month and year first above written.

Attest: Violet Varona-Lukens
Executive Officer
Clerk of the Board of Supervisors

COUNTY OF LOS ANGELES

By _____

Chair, Board of Supervisors

APPROVED AS TO FORM:
Raymond G. Fortner
County Counsel

Sunrise Construction
By George Zadrozny
George Zadrozny,
Owner/Sole Proprietor

By Robert A. ...
Deputy

By _____
Secretary

B, A _____ 506706
Classification License No.
CONTRACTOR

ACKNOWLEDGMENT

SUBJECT:

**BELVEDERE PARK SKATEPARK
CAPITAL PROJECT NO. 69238
4914 Cesar Chavez Avenue
Los Angeles, California 90022
SPEC. NO. 04-0030**

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.

Sunrise Construction

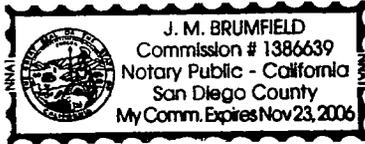
By George Zadrozny
George Zadrozny, Owner/Sole Proprietor

Date 1/20/06

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
County of San Diego } ss.
On 01-20-06 before me, J. M. Brumfield
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")
personally appeared George Zadrozny
Name(s) of Signer(s)

personally known to me
 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.

WITNESS my hand and official seal.

J. M. Brumfield
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.

Description of Attached Document

Title or Type of Document: Agreement

Document Date: 01-20-06 Number of Pages: 1

Signer(s) Other Than Named Above: none

Capacity(ies) Claimed by Signer

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____



BOND FOR FAITHFUL PERFORMANCE

KNOW ALL MEN BY THESE PRESENTS:

That we, **Sunrise Construction, as principal, and Financial Pacific Insurance Company, as surety**, are held and firmly bound unto the COUNTY OF LOS ANGELES, State of California, hereinafter referred to as the County, in the sum of **\$808,946 (Eight Hundred and Eight Thousand Nine Hundred Forty Six Dollars and No Cents)**, lawful money of the United States, for the payment of which sum, well and truly made, we bind ourselves, jointly and severally, firmly by these presents.

The condition of the foregoing obligation is such that whereas said principal has been awarded and is about to enter into the annexed contract with the County of Los Angeles, State of California, for:

**BELVEDERE PARK SKATEPARK
CAPITAL PROJECT NO. 69238
4914 Cesar Chavez Avenue
Los Angeles, California 90022
SPEC. NO. 04-0030**

and is required by said County to give this bond in connection with the execution of said contract;

NOW, THEREFORE, if said principal shall well and truly do and perform all of the covenants and obligations of said contract on its part to be done and performed at the times and in the manner specified therein, then this obligation shall be null and void; otherwise, it shall be and remain in full force and effect. No premature payment by said County to said principal shall exonerate any surety unless the Board of Supervisors of said County shall have actual notice that such payment is premature at the time it is ordered by said Board, and then only to the extent that such payment shall result in loss to such surety, but in no event more than the amount of such premature payment. This bond shall remain in effect for a period of not less than one year after final acceptance by the Board of Supervisors of said County of the contract work.

Attest: Violet Varona-Lukens
Executive Officer
Clerk of the Board of Supervisors

COUNTY OF LOS ANGELES

By _____

Chair, Board of Supervisors

WITNESS our hands this 23rd day of January, 2006, ~~2005~~

APPROVED AS TO FORM:
County Counsel

By [Signature]
Deputy

Sunrise Construction

By [Signature] (owner)
George Zadrozny, Owner

By _____
Secretary

By Financial Pacific Insurance Company

Surety

By [Signature]
Jeff Aase, Attorney-in-Fact

LIMITED POWER OF ATTORNEY

Financial Pacific Insurance Company

BOND NUMBER **C814937**

POWER NUMBER **814941**

PRINCIPAL **Sunrise Construction**

PENAL SUM **\$308,946.00**

KNOW ALL MEN BY THESE PRESENTS, that Financial Pacific Insurance Company, a California corporation (the "Company"), does hereby make, constitute and appoint:

Janelle L. Miller, Jeff Aase, Will Mingram, Christopher M. Haenel

its true and lawful Attorneys-in-Fact, with limited power and authority for and on behalf of the Company as surety, to execute, deliver and affix the seal of the Company thereto if a seal is required on bonds, undertakings, recognizances or other written obligations in the nature thereof as follows:

Bid, Performance, Payment, Subdivision and Miscellaneous Bonds up to \$1,500,000.00

and to bind the Company thereby. This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the Board of Directors of Financial Pacific Insurance Company at the meeting duly held July 6, 1995, which are now in full force and effect:

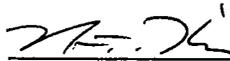
RESOLVED, that the President or any Vice President, in conjunction with the Secretary or any Assistant Secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the Company, to execute and deliver and affix the seal of the Company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any power of attorney previously granted such person.

RESOLVED FURTHER, that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company when signed and sealed (if a seal be required) by one or more attorneys-in-fact pursuant to and within the limits of the authority evidenced by the power of attorney issued by the Company to such person or persons.

RESOLVED FURTHER, that the signature of any authorized officer and the seal of the Company may be affixed by facsimile 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; any such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, Financial Pacific Insurance Company has caused these presents to be signed by its proper officers, and its corporate seal to be hereunto affixed this 15th of March, 2004.




Robert T. Kingsley, President


John R. Hollingshead, Secretary

STATE OF CALIFORNIA, COUNTY OF SACRAMENTO

On this 15th day of March, 2004, personally came before me Robert T. Kingsley and John R. Hollingshead, to me known to be the individuals and officers of Financial Pacific Insurance Company, who executed the above instrument, and they have acknowledged the execution of the same, and being by me duly sworn, did severally depose and say that they are the said officers of the corporation aforesaid and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the Board of Directors of said corporation.

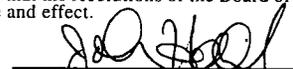



Rebekah Moeller, Notary Public

CERTIFICATE

I, the undersigned Secretary of Financial Pacific Insurance Company, a California corporation, DO HEREBY CERTIFY that this Power of Attorney remains in full force and effect and has not been revoked and furthermore, that the resolutions of the Board of Directors set forth, and that the relevant provisions of the By-Laws of the Company, are now in full force and effect.

Signed and sealed at Sacramento, this 23rd day of January, 20 06


John R. Hollingshead, Secretary



STATE OF California }
COUNTY OF San Bernardino } SS.

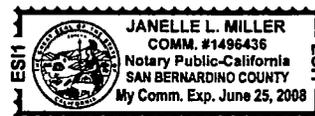
On January 23, 2006, before me, Janelle L. Miller, notary public

PERSONALLY APPEARED Jeff Aase

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

WITNESS my hand and official seal.

Signature Janelle L Miller



This area for Official Notarial Seal

OPTIONAL

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

CAPACITY CLAIMED BY SIGNER

- 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)

DESCRIPTION OF ATTACHED DOCUMENT

TITLE OF TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER(S) OTHER THAN NAMED ABOVE



**Rider Containing
Disclosure Notice of Terrorism Coverage**

The Terrorism Risk Insurance Act of 2002 requires Financial Pacific Insurance Company (FPIC) to provide this disclosure notice. No action is required on your part. This Disclosure Notice is incorporated in and made part of the attached bond. The actual coverage provided by this bond for acts of terrorism is limited by the terms, conditions, exclusions, limits other provisions of the bond any endorsements and generally applicable rules of law.

Effective November 26, 2002 any losses caused by a certified act of terrorism would be partially reimbursed by the United States of America to FPIC under a formula established by the Terrorism Risk Act of 2002. Under this formula, The United States of America reimburses 90% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

There is a cap on FPIC's Liability to pay for such losses if the aggregate amount of insured losses under The Act exceeds \$100,000,000,000 during the applicable period for all insured and insurer's combined. In that case, we will not be liable for payment of any amount, which exceeds that aggregate amount of \$100,000,000,000.

Your premium attributable to coverage for terrorist acts certified under The Act is Zero Dollars (\$0.00). The cost of terrorism coverage is subject to change on any bond where premium is charged annually.

PAYMENT BOND FOR LABOR AND MATERIALS

KNOW ALL MEN BY THESE PRESENTS:

That we, Sunrise Construction, as principal, and Financial Pacific Insurance Company, as surety, are held and firmly bound unto the COUNTY OF LOS ANGELES, State of California, hereinafter referred to as the County, in the sum of \$808,946 (Eight Hundred and Eight Thousand Nine Hundred Forty Six Dollars and No Cents), lawful money of the United States, for the payment of which sum, well and truly made, we bind ourselves, jointly and severally, firmly by these presents.

The condition of the above obligation is such that, whereas said principal has been awarded and is about to enter into a written contract with the County for:

BELVEDERE PARK SKATEPARK
CAPITAL PROJECT NO. 69238
4914 Cesar Chavez Avenue
Los Angeles, California 90022
SPEC. NO. 04-0030

which is hereto attached and made a part hereof, and to which reference is hereby made for all particulars, and is required by said County to give this bond in connection with the execution of said contract;

NOW, THEREFORE, if said principal, as contractor in said contract, or principal's subcontractor, fails to pay any of the persons referred to in Section 3181 of the Civil Code of the State of California for labor performed, skills or other necessary services bestowed, site improvement made, equipment leased, or appliances, equipment, implements, machinery, materials, power, provender, provisions, teams, or trucks furnished or used in, upon, or about the performance of this work contracted to be done, or for amounts due under the Unemployment Insurance Code with respect to such work or labor performed by such claimant, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of the contractor and the subcontractors pursuant to Section 13020 of the Unemployment Insurance Code, with respect to such work and labor, said surety shall pay for the same in an amount not exceeding the sum specified above, and if suit is brought upon this bond, a reasonable attorney's fee to be fixed by the court. This bond is executed pursuant to Chapter 7 of Division 3, Part 4, Title 15 of the Civil Code of the State of California, and shall inure to the benefit of any of the persons referred to in said Civil Code Section 3181, as it now exists or may hereafter be amended, so as to give a right of action to such persons or their assigns in any suit brought upon this bond.

No premature payment by said County to said principal shall exonerate any surety unless the Board of Supervisors of said County shall have actual notice that such payment is premature at the time and it is ordered by said Board, and then only to the extent that such payment shall result in loss to such surety, but in no event more than the amount of such premature payment. It is agreed that any alterations in the work to be done, or increase or decrease of the materials to be furnished, which may be made pursuant to the terms of said contract shall not in any way release either the principal or surety hereunder; nor shall any extensions of time granted under the provisions of said contract release either the principal or surety, and notice of such alterations or extensions of this contract is hereby waived by the surety.

WITNESS our hands this 23rd day of January, 2006, 2006

APPROVED AS TO FORM:
County Counsel

By [Signature] Deputy

Sunrise Construction

By [Signature] (owner)
George Zadrozny Owner

By Secretary

By Financial Pacific Insurance Company
Surety

By [Signature]
Jeff Aase, Attorney-in-Fact

LIMITED POWER OF ATTORNEY

Financial Pacific Insurance Company

BOND NUMBER **C814937**

POWER NUMBER **814942**

PRINCIPAL **Sunrise Construction**

PENAL SUM **\$808,946.00**

KNOW ALL MEN BY THESE PRESENTS, that Financial Pacific Insurance Company, a California corporation (the "Company"), does hereby make, constitute and appoint:

Janelle L. Miller, Jeff Aase, Will Mingram, Christopher M. Haenel

its true and lawful Attorneys-in-Fact, with limited power and authority for and on behalf of the Company as surety, to execute, deliver and affix the seal of the Company thereto if a seal is required on bonds, undertakings, recognizances or other written obligations in the nature thereof as follows:

Bid, Performance, Payment, Subdivision and Miscellaneous Bonds up to \$1,500,000.00

and to bind the Company thereby. This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the Board of Directors of Financial Pacific Insurance Company at the meeting duly held July 6, 1995, which are now in full force and effect:

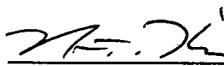
RESOLVED, that the President or any Vice President, in conjunction with the Secretary or any Assistant Secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the Company, to execute and deliver and affix the seal of the Company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any power of attorney previously granted such person.

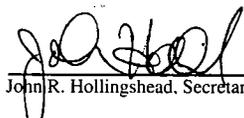
RESOLVED FURTHER, that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company when signed and sealed (if a seal be required) by one or more attorneys-in-fact pursuant to and within the limits of the authority evidenced by the power of attorney issued by the Company to such person or persons.

RESOLVED FURTHER, that the signature of any authorized officer and the seal of the Company may be affixed by facsimile 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; any such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, Financial Pacific Insurance Company has caused these presents to be signed by its proper officers, and its corporate seal to be hereunto affixed this 15th of March, 2004.




Robert T. Kingsley, President


John R. Hollingshead, Secretary

STATE OF CALIFORNIA, COUNTY OF SACRAMENTO

On this 15th day of March, 2004, personally came before me Robert T. Kingsley and John R. Hollingshead, to me known to be the individuals and officers of Financial Pacific Insurance Company, who executed the above instrument, and they have acknowledged the execution of the same, and being by me duly sworn, did severally depose and say that they are the said officers of the corporation aforesaid and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the Board of Directors of said corporation.

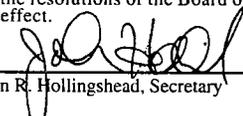



Rebekah Moeller, Notary Public

CERTIFICATE

I, the undersigned Secretary of Financial Pacific Insurance Company, a California corporation, DO HEREBY CERTIFY that this Power of Attorney remains in full force and effect and has not been revoked and furthermore, that the resolutions of the Board of Directors set forth, and that the relevant provisions of the By-Laws of the Company, are now in full force and effect.

Signed and sealed at Sacramento, this 23rd day of January, 20 06


John R. Hollingshead, Secretary



STATE OF California }
COUNTY OF San Bernardino } SS.

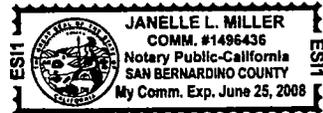
On January 23, 2006, before me, Janelle L. Miller, notary public

PERSONALLY APPEARED Jeff Aase

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

WITNESS my hand and official seal.

Signature Janelle L Miller



This area for Official Notarial Seal

OPTIONAL

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

CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL
 CORPORATE OFFICER

TITLE(S)

- PARTNER(S) LIMITED
 ATTORNEY-IN-FACT GENERAL
 TRUSTEE(S)
 GUARDIAN/CONSERVATOR
 OTHER: _____

SIGNER IS REPRESENTING:

NAME OF PERSON(S) OR ENTITY(IES)

DESCRIPTION OF ATTACHED DOCUMENT

TITLE OF TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER(S) OTHER THAN NAMED ABOVE

FINANCIAL PACIFIC



Bond #C814937

**Rider Containing
Disclosure Notice of Terrorism Coverage**

The Terrorism Risk Insurance Act of 2002 requires Financial Pacific Insurance Company (FPIC) to provide this disclosure notice. No action is required on your part. This Disclosure Notice is incorporated in and made part of the attached bond. The actual coverage provided by this bond for acts of terrorism is limited by the terms, conditions, exclusions, limits other provisions of the bond any endorsements and generally applicable rules of law.

Effective November 26, 2002 any losses caused by a certified act of terrorism would be partially reimbursed by the United States of America to FPIC under a formula established by the Terrorism Risk Act of 2002. Under this formula, The United States of America reimburses 90% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

There is a cap on FPIC's Liability to pay for such losses if the aggregate amount of insured losses under The Act exceeds \$100,000,000,000 during the applicable period for all insured and insurer's combined. In that case, we will not be liable for payment of any amount, which exceeds that aggregate amount of \$100,000,000,000.

Your premium attributable to coverage for terrorist acts certified under The Act is Zero Dollars (\$0.00). The cost of terrorism coverage is subject to change on any bond where premium is charged annually.