

**SUBMITTAL TO THE BOARD OF DIRECTORS OF THE
REDEVELOPMENT AGENCY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

668C



SUBMITTAL DATE:
April 22, 2010

FROM: Redevelopment Agency

SUBJECT: Highgrove Center Street Trunk Sewer Project Bid Award

RECOMMENDED MOTION: That the Board of Supervisors:

1. Make the following findings pursuant to Section 33445 of the Health and Safety Code:
 - a) Highgrove Center Street Trunk Sewer Project (Project) is of primary benefit to the Highgrove sub-area of the Interstate 215 Redevelopment Project Area (Project Area) by helping to eliminate physical blighting conditions within the project area by providing sewers to replace septic systems;
 - b) No other reasonable means of financing the cost of the Project are available because current economic conditions are such that general County revenues are insufficient to provide such facilities;

(Continued)

Robert Field

Robert Field
Executive Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$3,174,260	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	09/10

COMPANION ITEM ON BOARD OF SUPERVISORS AGENDA: Yes	
SOURCE OF FUNDS: Interstate 215 Corridor Redevelopment Project Area Capital Improvement Funds – Highgrove Sub-Area	Positions To Be Deleted Per A-30 <input type="checkbox"/>
	Requires 4/5 Vote <input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE
 BY: *Jennifer L. Sargent*
 County Executive Office Signature Jennifer L. Sargent

- Dep't Recomm.: Consent
- Per Exec. Ofc.: Consent
- Policy
- Policy

Prev. Agn. Ref.: 4.3 of 8/10/04, 4.1 of 7/25/06, 4.3 of 7/15/08, 4.2 of 5/12/09, 4.2 of 1/5/10 | **District:** 5 | **Agenda Number:**

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

4.2

FORM APPROVED COUNTY COUNSEL
BY: MARSHAL VICTOR
DATE: 4/22/10

Departmental Concurrence

RECOMMENDED MOTION: (Continued)

- c) The payments of funds for the cost of the Project is consistent with the Implementation Plan for the Project Area and is necessary to effectuate the purpose of the Project Area's Redevelopment Plan which calls for the elimination of blighting conditions within the Project Area by providing such improvements to the community and encouraging economic growth; and
2. Accept and award the construction contract to the lowest responsible bidder, TBU, Inc., in the amount of \$2,335,690.50 to construct the Highgrove Center Street Trunk Sewer Project;
 3. Authorize the Chairman to sign the contract documents on behalf of the Board;
 4. Delegate change order authority to the Executive Director of the Redevelopment Agency or designee, in accordance with Public Contract Code; and
 5. Approve a total project budget of \$3,174,259.55

BACKGROUND: The Highgrove community is an older community that lacks sewer infrastructure for existing residents and new development. The Redevelopment Agency determined that without Agency assistance, this infrastructure could not be developed. On July 15, 2008, the Redevelopment Agency entered into an agreement with Krieger and Stewart, Inc. to prepare plans and specifications for the Highgrove Center Street Trunk Sewer Project. The plans and specifications for the Project have been completed. A Mitigated Negative Declaration and Notice of Determination were posted May 12, 2009 in accordance with state CEQA guidelines. Plans and Specifications and Notice Inviting Bids were approved by the Board of Directors January 5, 2010.

The notice inviting bids for the Project was advertised on February 5, 2010 and February 12, 2010, and posted on Agency's website from January 26, 2010 through March 4, 2010. On March 4, 2010, at 2:00 P.M., 19 sealed bids were received by the Clerk of the Board. After detailed review, County Counsel and Agency staff determined that the low bid submitted by TBU, Inc. was responsive and complete. Staff recommends that the Board approve the motions and award the contract to the lowest qualified and responsive bidder, TBU, Inc., in the amount of \$2,335,691 and approve the project budget as follows:

Project Budget:

Construction	\$2,335,690.50
Permits & Inspection Fees	\$250,000.00
Construction Staking	\$50,000.00
Materials Testing and Misc. costs	\$250,000.00
Subtotal	\$2,885,690.50
Contingency (10%)	<u>\$288,569.05</u>
Total:	\$3,174,259.55

CONTRACT

This Contract is made and entered into on _____, by and between the REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE hereinafter called "Owner", and T.B.U., Inc., hereinafter called "Contractor". This Contract is for that Work described in the Contract Documents entitled COMMUNITY OF HIGHGROVE CENTER STREET TRUNK SEWER.

A. Recitals

- 1. Contractor, in response to a Notice Inviting Bids issued by Owner, has submitted a bid proposal for the above entitled Work.
2. Owner has duly opened and considered said bid proposal, and has duly awarded said bid to Contractor in accordance with said Notice Inviting Bids, and has given written Notice of Award to Contractor on _____.

Contractor has obtained and delivers concurrently herewith specified Performance and Payment Bonds and the Certificate of Insurance as required by the Contract Documents.

B. Terms

1. Incorporation of Documents

This Contract includes and hereby incorporates in full by this reference the Contract Documents for the above entitled Work.

The Contract Documents set forth herein consist of: Notice Inviting Bids, Bidding Documents, Bid Bond, this Contract including Contractor's Labor Certification and any Contract Change Orders, Performance and Payment Bonds, Certificates of Insurance, Contract Appendix, Special Requirements, Basic and Technical Specifications, Construction and Standard Drawings, and any addenda thereto.

2. Contractor's Basic Obligation

Contractor agrees to provide the Work specified in the following bid schedules and/or bid items:

for two million three hundred thirty five** dollars (\$2,335,690.50), said amount being subject to adjustment in accordance with the applicable terms of the Contract Documents.

Contractor agrees to perform said Work, at said Contract amount, in accordance with the following milestones established in the Contract Completion Schedule:

Table with 2 columns: Milestone, Date or Number of Calendar Days. Rows include: Boring and Jacking for Installation of Highgrove Library Sewer Lateral and Restoration of Disturbed Ground Surface (By June 30, 2010); All Sewer Work (i.e. Phase 1 through Item e of Phase 3 as outlined in the Special Requirements) (Within 190 calendar days after date of Notice to Proceed); All Contract Work (Within 215 calendar days after date of Notice to Proceed).

Contractor agrees that if the aforesaid Contract Completion Schedule is not met, liquidated damages will apply as provided by the Contract Documents, in the following amounts and under the following conditions:

\$1,000 per calendar day that the Work remains incomplete following each milestone established by the Contract Completion Schedule above, as adjusted for due cause by Change Order.

**thousand six hundred ninety and fifty cents

3. Owner's Basic Obligation

Owner agrees to engage and does hereby engage said 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 aforesaid and hereby contracts to pay said sum at the time, in the manner, and in accordance with the conditions set forth in the Contract Documents.

4. Contractor's Labor Certification

Contractor states that it is 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 provisions of that Code, and Contractor agrees to comply with such provisions before commencing the performance of the Work of this Contract.

5. Litigation or Enforcement Action Costs Arising from Contractor's Operations

If the Owner and/or its Officials, Officers, Employees, Agents, Consultants, and Engineers are named, or are required to testify or contribute time and expense in any other way, in any suit or enforcement action of any kind brought to recover alleged damages or remedy alleged violations resulting from the acts or omissions (including negligent acts or omissions) in connection with, or accidents arising from, the acts, operations, and responsibilities of the Contractor, its Subcontractors, or others associated with or working under Contractor, in direct or indirect relation to the performance of the Work, the Owner and/or its Directors, Officers, Employees, Agents, Consultants, and Engineers shall be held financially harmless and they shall be legally defended (with counsel acceptable to the named party) by the Contractor from any claims for damages and they shall be reimbursed for any reasonable costs incurred by them for lost time, expert assistance, and incidental expenses in connection with their need to defend themselves against such claims, or to contribute time and expense in any other such way, whether or not the suit or enforcement action proceeds to final judgment. This section shall apply and be enforceable for the full time of any applicable statute of limitations.

6. Successors

The parties do for themselves, their heirs, executors, administrators, successors, and assigns agree to the full performance of all of the provisions herein contained. Contractor may not, either voluntarily or by action of law, assign any obligation assumed by Contractor hereunder without the prior written consent of Owner.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed the day and year first above written.

T.B.U., Inc.
(Contractor)

By: [Signature]
(Authorized Representative, Written Signature)

TED J. BURTON, SR
(Authorized Representative, Typed or Printed Name)

Title: PRESIDENT / CEO
[Individual, Partner, Corporate Officer (Title)]

ATTEST: (If Corporation)

By _____

Title _____

Corporate Seal

REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE

By: _____

Title: _____

ATTEST:

Clerk/Secretary

APPROVED AS TO FORM AND EXECUTION

[Signature] 4/21/10
Counsel for Owner

By **Marsha L. Victor**

~~NOTARY (CONTRACTOR)
STATE OF _____)
COUNTY OF _____)
On _____, 20____, before me,
_____, 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
SEE ATTACHED~~

(Notary Seal)

NOTE: If Notary elects to attach an acknowledgment form, Notary shall use the Notary Acknowledgment form attached at the end of the prior section (Bidding Documents) or, alternatively, Notary may use a California All-Purpose Acknowledgment form, provided Notary completes the entire form, both the required and optional portions.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of RIVERSIDE

On 4.8.10 before me, LESLIE R. SIEGEL NOTARY PUBLIC
Date Here Insert Name and Title of the Officer

personally appeared TED J. BURTON, SR
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.

Signature Leslie R. Siegel
Signature of Notary Public



Place Notary Seal Above

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: CONTRACT DOCS

Document Date: 4.8.10 Number of Pages: 3

Signer(s) Other Than Named Above: N/A

Capacity(ies) Claimed by Signer(s)

Signer's Name: TED J. BURTON, SR

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

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER

Top of thumb here

Signer's Name: _____

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

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER

Top of thumb here

PERFORMANCE BOND
(California Public Work)
REQUIRED FORM

EXECUTED IN TRIPLICATE

Bond Number 6620331

Rate of Premium (\$/1,000) \$14.40/\$8.70

Amount of Premium \$23,171.00

**Premium Is For Contract Term
And Is Subject To Adjustment
Based On Final Contract Price**

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE (also herein "Obligee") has awarded to T.B.U., INC. (hereinafter designated "Contractor" and "Principal") a contract for the Work described as follows: **COMMUNITY OF HIGHGROVE CENTER STREET TRUNK SEWER**, County of Riverside, California (hereinafter referred to as the "Public Work"); and

WHEREAS, the Work to be performed by the Contractor is more particularly set forth in that certain contract for the said Public Work dated _____, (hereinafter referred to as the "Public Work Contract"), which Public Work Contract is in _____ and

WHEREAS, the Contractor is bound by the terms of the Public Work Contract to perform the terms thereof and to provide a

PLEASE
ENTER
DATE

NOW, THEREFORE, the Contractor, as Principal, existing under the laws of the State of California, and duly authorized to transact business under and firmly bound unto the REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE in the sum of ~~TWO MILLION THREE HUNDRED THIRTY FIVE THOUSAND SIX HUNDRED NINETY AND 50/100~~ dollars, \$ 2,335,690.50, said sum being not less than 100% of the total amount payable by the said Obligee under the terms of the said Public Work Contract, for which payment 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 Principal, 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 said Public Work Contract and any alteration thereof made as therein provided, on his or their 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 the one-year guarantee of all materials and workmanship; and indemnify and save harmless the Obligee, its officers, employees, and agents, as stipulated in the said Public Work Contract, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

The said Surety, for value received, hereby stipulates and agrees that no change, extensions of time, alteration or addition to the terms of the Public Work Contract or to the Work to be performed thereunder, or the specifications accompanying the same shall in any wise 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, or to the Work or to Specifications.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 1ST day of APRIL, 2010.

PRINCIPAL:

Name T.B.U. INC.

By [Signature]
(Authorized Representative, Written Signature)

TED J. BURTON, SR.
(Authorized Representative, Typed or Printed Name)

Title CEO
[Individual, Partner, Corporate Officer (Title)]

Attest: (If Corporation)

By _____

Title _____

(Corporate Seal)

SURETY:

Name FIRST NATIONAL INSURANCE COMPANY OF AMERICA

By [Signature]
(Authorized Representative, Written Signature)

MATTHEW C. GAYNOR
(Authorized Representative, Typed or Printed Name)

Title ATTORNEY-IN-FACT
[Individual, Partner, Corporate Officer (Title)]

Attest: (If Corporation)

By _____

Title _____

(Corporate Seal)

Note: Both Principal and Surety signatures must be notarized. A copy of the power of attorney to local representatives of the bonding company must be attached hereto.

NOTARY FOR PRINCIPAL

STATE OF _____)
COUNTY OF _____)

On _____, 20____, before me,
_____, 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 _____

**SEE
ATTACHED**

(Notary Seal)

NOTE: If Notary elects to attach an acknowledgment form, Notary shall use the Notary Acknowledgment form attached at the end of the prior section (Bidding Documents) or, alternatively, Notary may use a California All-Purpose Acknowledgment form, provided Notary completes the entire form, both the required and optional portions.

NOTARY FOR SURETY

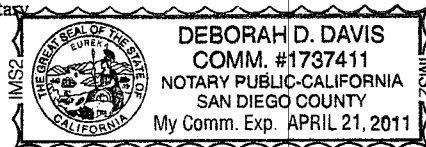
STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO)

On APRIL 1, 2010, before me,
DEBORAH D. DAVIS, NOTARY PUBLIC, personally
appeared MATTHEW C. GAYNOR,
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 [Signature]



(Notary Seal)

IMPORTANT: Surety companies executing Bonds must possess a certificate of authority from the California Insurance Commissioner authorizing them to write Surety insurance defined in Section 105 of the California Insurance Code and, if the work or project is financed, in whole or in part, with federal grant or loan funds, said Surety companies must also appear on the Treasury Department's most current list (Circular 570 as amended).

Any claims under this bond may be addressed to:

Name and address of Surety

FIRST NATIONAL INSURANCE COMPANY OF AMERICA

P.O. BOX 11053

ORANGE, CA 92856-1053

Name and address of agent or representative
for service of process in California, if different
from above

MALONEY AND ASSOCIATES

435 WEST GRAND AVENUE

ESCONDIDO, CA 92025

Telephone number of Surety and agent or representative
for service of process in California

800/763-9268 (SURETY)

760/738-2610 (AGENT)

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, TED J. BURTON, SR., certify that I am the _____ Secretary of the corporation named as principal to the within bond; that TED J. BURTON, SR. who signed the said bond on behalf of the principal was then PRESIDENT/CEO of said corporation; that I know his signature, and his signature thereto is genuine; and that said bond was duly signed, sealed and attested for and in behalf of said corporation by authority of its governing Board.



Signature

(Corporate Seal)



POWER OF ATTORNEY

First National Insurance Company of America
1001 4th Avenue
Suite 1700
Seattle, WA 98154

KNOW ALL BY THESE PRESENTS:

No. 8062

That FIRST NATIONAL INSURANCE COMPANY OF AMERICA, a Washington corporation, does hereby appoint

*****HELEN MALONEY; JOHN G. MALONEY; MARK D. IATAROLA; KAREN JEAN HALL; MATTHEW C. GAYNOR; DEBORAH D. DAVIS; Escondido, California*****

its true and lawful attorney(s)-in-fact, with full authority to execute on behalf of the company fidelity and surety bonds or undertakings and other documents of a similar character issued by the company in the course of its business, and to bind FIRST NATIONAL INSURANCE COMPANY OF AMERICA thereby as fully as if such instruments had been duly executed by its regularly elected officers at its home office.

IN WITNESS WHEREOF, FIRST NATIONAL INSURANCE COMPANY OF AMERICA has executed and attested these presents

this 21st day of March, 2009

[Handwritten signature of Dexter R. Legg]

Dexter R. Legg, Secretary

[Handwritten signature of Timothy A. Mikolajewski]

Timothy A. Mikolajewski, Vice President

CERTIFICATE

Extract from the By-Laws of FIRST NATIONAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. - FIDELITY AND SURETY BONDS ... the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business... On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of FIRST NATIONAL INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out, (i) The provisions of Article V, Section 13 of the By-Laws, and (ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and (iii) Certifying that said power-of-attorney appointment is in full force and effect, the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Dexter R. Legg, Secretary of FIRST NATIONAL INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of this corporation, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 1ST day of APRIL, 2010



[Handwritten signature of Dexter R. Legg]

Dexter R. Legg, Secretary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of RIVERSIDE }

On 4/5/10 before me, LESLIE R. SIEGEL, NOTARY PUBLIC
Date Here Insert Name and Title of the Officer

personally appeared TEO J. BURTON, SR
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Place Notary Seal Above

Signature Leslie R. Siegel
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: PERFORMANCE BOND - HIGH GROVE

Document Date: 4/1/10 Number of Pages: 3

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: TEO J. BURTON, SR

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



Signer Is Representing: _____

Signer's Name: _____

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



Signer Is Representing: _____

PAYMENT BOND
(California Public Work)
REQUIRED FORM

EXECUTED IN TRIPLICATE
Bond Number 6620331

KNOW ALL MEN BY THESE PRESENTS:

PREMIUM INCLUDED IN PERFORMANCE BOND

THAT WHEREAS, REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE (referred to hereinafter as "Obligee") has awarded to T.B.U., INC. (hereinafter designated "Contractor" and "Principal"), a contract dated _____, for the Work described as follows: **COMMUNITY OF HIGHGROVE CENTER STREET TRUNK SEWER**, County of Riverside, California (hereinafter referred to as the "Public Work Contract") and

WHEREAS, said Contractor is required to furnish a bond in connection with said Public Work Contract, providing that if said Contractor or any of his or its subcontractors shall fail to pay for any materials, provisions, provender, or other supplies, or terms 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 provisions of 3248 of the California Civil Code, with respect to such work or labor, that the Surety on this bond will pay the same together with a reasonable attorney's fee in case suit is brought on the bond.

NOW, THEREFORE, we T.B.U., INC., the undersigned Contractor, as Principal and FIRST NATIONAL INSURANCE COMPANY OF AMERICA, a corporation organized and existing under the laws of the State of WASHINGTON, and duly authorized to transact business under the laws of the State of California, as Surety, are held and firmly bound unto the REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE and to any and all material men, persons, companies or corporations furnishing materials, provisions, provender and other supplies used in, upon, for or about the performance of the said Public Work, and all persons, companies or corporations renting or hiring teams, or implements or machinery, for or contributing to said Public Work to be done, and all persons performing work or labor upon the same and all persons supplying both work and materials as aforesaid excepting the said Contractor, the sum of SIX HUNDRED NINETY AND 50/100 dollars, \$ 2,335,690.00, said sum being not less than 100% of the total amount payable by said Obligee under the terms of the said Public Work Contract, for which payment 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 Principal, his or its subcontractors, heirs, executors, administrators, successors, or assigns, shall fail to pay for any materials, provisions, provender or other supplies or machinery used in, upon, for or about the performance of the Work contracted to be done, or for work or labor thereon of any kind, or fail to pay any of the persons named in California Civil Code Section 3181, or amounts due under the Unemployment Insurance Code with respect to work or labor performed by any 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 his subcontractors pursuant to Section 13020 of the Unemployment Insurance Code with respect to such work and labor, and all other applicable laws of the State of California and rules and regulations of its agencies, then said Surety will pay the same in or to an amount not exceeding the sum specified herein.

In addition to the provisions hereinabove, it is agreed that this bond will inure to the benefit of any and all persons, companies and corporations entitled to file claims under Sections 3110, 3111, 3112 and 3181 of the California Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

The said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or additions to the terms of the said Public Work Contract or to the Work to be performed thereunder or the specification accompanying the same shall in any wise 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 or to the Work or to the Specifications.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 1ST day of APRIL, 2010.

PRINCIPAL:

Name T.B.U., INC.

By [Signature]
(Authorized Representative, Written Signature)

TED J. BURTON, SR.
(Authorized Representative, Typed or Printed Name)

Title CEO
[Individual, Partner, Corporate Officer (Title)]

Attest: (If Corporation)

By _____

Title _____

(Corporate Seal)

SURETY:

Name FIRST NATIONAL INSURANCE COMPANY OF AMERICA

By [Signature]
(Authorized Representative, Written Signature)

MATTHEW C. GAYNOR
(Authorized Representative, Typed or Printed Name)

Title ATTORNEY-IN-FACT
[Individual, Partner, Corporate Officer (Title)]

Attest: (If Corporation)

By _____

Title _____

(Corporate Seal)

Note: Both Principal and Surety signatures must be notarized. A copy of the power of attorney to local representatives of the bonding company must be attached hereto.

NOTARY FOR PRINCIPAL

STATE OF _____)
COUNTY OF _____)

On _____, 20____, before me,
_____ 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

SEE ATTACHED

(Notary Seal)

NOTARY FOR SURETY

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO)

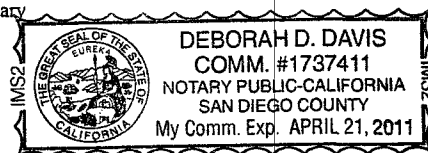
On APRIL 1, 2010, before me,
DEBORAH D. DAVIS, NOTARY PUBLIC, personally
appeared MATTHEW C. GAYNOR
who proved to me on the basis of satisfactory evidence to be
the person(s) whose name(s) is/are subscribed to the within
instrument and acknowledged to me that he/she/they executed
the same in his/her/their 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

(Notary Seal)



NOTE: If Notary elects to attach an acknowledgment form, Notary shall use the Notary Acknowledgment form attached at the end of the prior section (Bidding Documents), or, alternatively, Notary may use a California All-Purpose Acknowledgment form, provided Notary completes the entire form, both the required and optional portions.

IMPORTANT: Surety companies executing Bonds must possess a certificate of authority from the California Insurance Commissioner authorizing them to write Surety insurance defined in Section 105 of the California Insurance Code and, if the work or project is financed, in whole or in part, with federal grant or loan funds, said Surety companies must also appear on the Treasury Department's most current list (Circular 570 as amended).

Any claims under this bond may be addressed to:

Name and address of Surety

FIRST NATIONAL INSURANCE COMPANY OF AMERICA

P.O. BOX 11053

ORANGE, CA 92856-1053

Name and address of agent or representative
for service of process in California, if different
from above

MALONEY AND ASSOCIATES

435 WEST GRAND AVENUE

ESCONDIDO, CA 92025

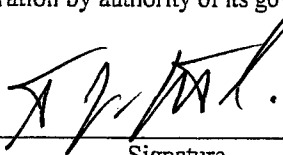
Telephone number of Surety and agent or representative
for service of process in California

800/763-9268 (SURETY)

760/738-2610 (AGENT)

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, TED J. BURTON, SR., certify that I am the _____ Secretary of the corporation named as principal to the within bond; that TED J. BURTON who signed the said bond on behalf of the principal was then PRESIDENT/CEO of said corporation; that I know his signature, and his signature thereto is genuine; and that said bond was duly signed, sealed and attested for and in behalf of said corporation by authority of its governing Board.



Signature

(Corporate Seal)



POWER OF ATTORNEY

First National Insurance Company of America
1001 4th Avenue
Suite 1700
Seattle, WA 98154

KNOW ALL BY THESE PRESENTS:

No. 8062

That FIRST NATIONAL INSURANCE COMPANY OF AMERICA, a Washington corporation, does hereby appoint

*****HELEN MALONEY; JOHN G. MALONEY; MARK D. IATAROLA; KAREN JEAN HALL; MATTHEW C. GAYNOR; DEBORAH D. DAVIS; Escondido, California*****

its true and lawful attorney(s)-in-fact, with full authority to execute on behalf of the company fidelity and surety bonds or undertakings and other documents of a similar character issued by the company in the course of its business, and to bind FIRST NATIONAL INSURANCE COMPANY OF AMERICA thereby as fully as if such instruments had been duly executed by its regularly elected officers at its home office.

IN WITNESS WHEREOF, FIRST NATIONAL INSURANCE COMPANY OF AMERICA has executed and attested these presents

this 21st day of March, 2009

Dexter R. Legg

Dexter R. Legg, Secretary

TAMIKOLAJEWSKI

Timothy A. Mikolajewski, Vice President

CERTIFICATE

Extract from the By-Laws of FIRST NATIONAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. - FIDELITY AND SURETY BONDS ... the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business... On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of FIRST NATIONAL INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
(ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
(iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Dexter R. Legg, Secretary of FIRST NATIONAL INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of this corporation, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 1ST day of APRIL, 2010



Dexter R. Legg

Dexter R. Legg, Secretary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of RIVERSIDE

On 4.5.10 before me, LESLIE R SIEGEL NOTARY PUBLIC
Date Here Insert Name and Title of the Officer

personally appeared TED J. BURTON, SR.
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Place Notary Seal Above

Signature Leslie R. Siegel
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: Payment Bond - Highgrove

Document Date: 4.1.10 Number of Pages: 1

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: TED J. BURTON, SR.

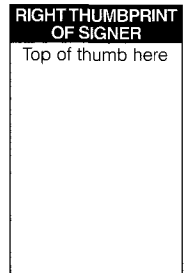
- Individual
- Corporate Officer — Title(s): President/CEO
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

Signer's Name: _____

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



Signer Is Representing: _____

OWNER OR CERTIFICATE HOLDER: REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE
 CONTRACTOR OR INSURED: TBU, INC.

PROJECT: COMMUNITY OF HIGHGROVE CENTER STREET TRUNK SEWER

This certificate is issued as a matter of information only and confers no rights upon the certificate holder; it does not alter, amend, or extend the coverage afforded by the policies listed below.

Insurance Type	Insurance Company	Policy Number	Policy Effective Date	Policy Expiration Date	Limits		
					Description	Furnished	Specified
Worker's Compensation and Employer's Liability	TRAVELERS PROP & CAS CO OF AMERICA	DTJUB0685M59810	2/21/10	2/21/11	Statutory Accident-Policy Limit Disease-Policy Limit Disease-Each Employee	\$1,000,000 \$1,000,000 \$1,000,000	Statutory \$1,000,000 \$1,000,000 \$1,000,000
Automobile Liability					Combined Single Limit Bodily Injury (per accident) Bodily Injury (per person) Property Damage	\$1,000,000 \$ \$ \$	\$1,000,000 \$1,000,000 \$500,000
General Liability					General Aggregate* Each Occurrence*	\$2,000,000 \$1,000,000	\$2,000,000 \$1,000,000
Commercial X Comprehensive Claims Made Occurrence X	QBE SPECIALTY INS. CO.	GXG00496	9/13/09	9/13/10	* Occurrence and aggregate limits apply per project.		
Excess Liability					Each Occurrence Aggregate	\$4,000,000 \$4,000,000	\$ \$
Umbrella Form X Other Form	QBE SPECIALTY INS. CO.	GXU00268	9/13/09	9/13/10			\$
Course of Construction Installation-Heater	ASSURANCE CO OF AMERICA	EC03151364	5/1/2010	5/1/2011	COMPLETED VALUE	\$2,335,691	TOTAL CONTRACT AMOUNT

SIGNATURE OF AUTHORIZED REPRESENTATIVE OF THE INSURER(S)

I, PAT REILLY certify that I have authority to and hereby execute this certificate on behalf of the insurer(s) referenced above.
 Date: 4-8-10 Signature: [Signature] Title: AGENT Address: 2655 CAMINO DEL RIO N, SAN DIEGO, CA Telephone: 619-683-9990

**CONTRACT INSURANCE ENDORSEMENT
(REQUIRED)**

Company names, policy numbers, effective and expiration dates, and furnished limits set forth in the Contract Certificate of Insurance identify applicable insurance policies in which coverage is provided for the named project. Policy of insurance listed in the Certificate of Insurance has been issued to the named insured by each indicated insurance company for the policy period indicated and, as of the date of the aforementioned certificate, is in full force and effect. The insurance afforded by each policy described therein is subject to all the terms, conditions, limitations, and exclusions of such policy.

Automobile liability insurance covers all owned, non-owned, borrowed, and/or hired vehicles used by or for the benefit of Contractor. General liability insurance covers premises and operations, products and completed operations, blanket contractual (oral and written), independent contractors, owners and contractors protective, and, if applicable to the Work, collapse, explosion and underground hazards. Excess liability insurance covers all automobile and general liability coverages. Course of construction insurance covers fire and lightning, extended coverage, and vandalism and malicious mischief.

With respect to automobile, general, and excess liability insurance, Owner, its officials, officers, managers, agents, engineers, employees, and volunteers are covered as additional insureds to the extent of the limits set forth in the Contract Certificate of Insurance, but only while acting in their capacities as such, for liability arising from or in connection with the performance of the Work by Contractor, its agents, associates, representatives, employees, and subcontractors of every tier. With respect to course of construction or installation floater insurance, Owner is covered as additional insured. Insurer waives its rights of subrogation against the additional insureds.

Contractor's insurance is primary for additional insureds with respect to the performance of Contractor, those associated therewith, and those working thereunder, and any like insurance of Owner, its officials, officers, managers, agents, engineers, employees, and volunteers is excess and not contributing insurance with respect to insured claims under Contractor's policies. Contractor's insurance will apply separately to each insured against whom claim is made or suit is brought.

Contractor's insurance will not be cancelled, reduced, suspended, terminated, or voided in coverage or limits [except for general liability where the general aggregate limit has been reduced by claim(s) in which case insurer will immediately notify Owner of reduction in general aggregate limit resulting from such claim(s)] unless thirty (30) days prior written notice, by certified mail return receipt requested, has been given to Owner. Any failure to comply with reporting provisions of policies, including breaches of warranties, will not affect coverage provided to additional insureds.

SIGNATURE OF AUTHORIZED REPRESENTATIVE OF THE INSURER(S)

I, PAT REILLY, certify that I have authority to and hereby execute this endorsement on behalf of the insurer(s) referenced below.

Date: 4/8/10 Signature: Pat Reilly Title: AGENT
 Address: 2655 CAMINO DEL RIO NO. SAN DIEGO, CA Telephone: 619-683-9990

Insurance policies to which this Contract Insurance Endorsement apply are as follows:

Insurance Type	Insurance Company	Policy Number	Policy Effective Date	Policy Expiration Date
Workers Compensation and Employers Liability	TRAVELERS PROPERTY CASUALTY CO OF AM	DTJUB0685M59810	2/21/10	2/21/11
Automobile Liability	THE NETHERLANDS INS CO	BA8715634	9/13/09	9/13/10
General Liability	QBE SPECIALTY INS CO	GXG00496	9/13/09	9/13/10
Excess Liability	QBE SPECIALTY INS CO	GXU00268	9/13/09	9/13/10
Course of Construction or Installation Floater	ASSURANCE CO OF AMER	EC03151364	5/1/10	5/1/11

Use separate Contract Insurance Endorsement if required (copy as needed).

**ESCROW AGREEMENT FOR
SECURITY DEPOSITS IN LIEU OF PAYMENT RETENTION**

This Escrow Agreement is made and entered into, by and between the REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE, whose address is 3403 Tenth Street, Suite 500, Riverside, CA 92501, hereinafter called "Owner", T.B.U., Inc. whose address is 290 MAPLE AVE., SUITE A - BEAUMONT, CA 92223, hereinafter called "Contractor", and _____, whose address is _____, hereinafter called "Escrow Agent".

For the consideration hereinafter set forth, Owner, Contractor, and Escrow Agent agree as follows:

(1) Pursuant to California Public Contract Code Section 22300, Contractor has the option to deposit securities with Escrow Agent as a substitute for retention earnings required to be withheld by Owner pursuant to the Construction Contract entered into between Owner and Contractor for COMMUNITY OF HIGHGROVE CENTER STREET TRUNK SEWER in the amount of \$ _____ dated _____ (hereinafter referred to as the "Contract"). Alternatively, on written request of Contractor, Owner shall make payments of the retention earnings directly to Escrow Agent. When Contractor deposits securities as a substitute for Contract earnings, Escrow Agent shall notify Owner within 10 days of the deposit. The market value of the securities at the time of the substitution shall be at least equal to the cash amount then required to be withheld as retention under the terms of the Contract between Owner and Contractor. Securities shall be held in the name of REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE and shall designate Contractor as the beneficial Owner.

(2) Owner shall make progress payments to Contractor for such funds which otherwise would be withheld from progress payments pursuant to the Contract provisions, provided Escrow Agent holds securities in the form and amount specified above.

(3) When Owner makes payment of retention earned directly to Escrow Agent, Escrow Agent shall hold them for the benefit of Contractor until such time as the escrow created under this contract is terminated. Contractor may direct the investment of the payments into securities. All terms and conditions of this agreement and the rights and responsibilities of the parties shall be equally applicable and binding when Owner pays Escrow Agent directly.

(4) Contractor shall be responsible for paying all fees for the expenses incurred by Escrow Agent in administering Escrow Account and all expenses of Owner. These expenses and payment terms shall be determined by Owner, Contractor, and Escrow Agent.

(5) Interest earned on the securities or the money market accounts held in escrow and all interest earned on that interest shall be for the sole account of Contractor and shall be subject to withdrawal by Contractor at any time and from time to time without notice to Owner.

(6) Contractor shall have the right to withdraw all or any part of the principal in the Escrow Account only by written notice to Escrow Agent accompanied by written authorization from Owner to Escrow Agent that Owner consents to the withdrawal of the amount sought to be withdrawn by Contractor.

(7) Owner shall have a right to draw upon the securities in the event of default by Contractor. Upon seven days written notice to Escrow Agent from OWNER of the default, Escrow Agent shall immediately convert the securities to cash and shall distribute the cash as instructed by Owner.

(8) Upon receipt of written notification from Owner certifying that the Contract is final and complete and that Contractor has complied with all requirements and procedures applicable to the Contract, Escrow Agent shall release to Contractor all securities and interest on deposit less escrow fees and charges of the Escrow Account. The Escrow Account shall be closed immediately upon disbursement of all monies and securities on deposit and payments of fees and charges.

(9) Escrow Agent shall rely on the written notifications from Owner and Contractor pursuant to Sections (5) to (8), inclusive, of this agreement, and Owner and Contractor shall hold Escrow Agent harmless from Escrow Agent's release and disbursement of the securities and interest as set forth above.

(10) The names of the persons who are authorized to give written notice or to receive written notice on behalf of Owner and on behalf of Contractor in connection with the foregoing, and exemplars of their respective signatures are as follows:

On behalf of Contractor:

VICE PRESIDENT
Title

CHARLES WHALEN
Name


Signature

240 MAPLE AVE., SUITE A
Address BEAUMONT, CA 92223

On behalf of Owner:

Title

Name

Signature

Address

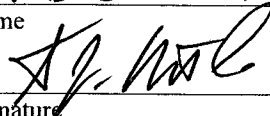
(11) At the time the Escrow Account is opened, the Owner and Contractor shall deliver to the Escrow Agent a fully executed counterpart of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their proper officers on the date first set forth above.

Contractor:

PRESIDENT / CEO
Title

TED J. BURTON, SR
Name


Signature

Owner:

Title

Name

Signature

Escrow Agent:

Title

Name

Signature

Address

PAYMENT REQUEST NO. _____ DATE: _____

W.O. 807-37.6 F/C

REDEVELOPMENT AGENCY FOR THE
COUNTY OF RIVERSIDE
3403 TENTH STREET, SUITE 500
RIVERSIDE, CA 92501

CONSTRUCTION OF
COMMUNITY OF HIGHGROVE
CENTER STREET TRUNK SEWER

CONTRACTOR: _____ PAGE _____ OF _____

BY: _____
(Signature & Date)

FEDERAL TAX IDENTIFICATION NO. OR SOCIAL SECURITY NO: _____
ORIGINAL CONTRACT AMOUNT: \$ _____ ADJUSTED CONTRACT AMOUNT: \$ _____

BID ITEM OR CHANGE ORDER NO.	DESCRIPTION	CONTRACT AMOUNT	CONTRACT WORK	
			PERCENT COMPLETED	AMOUNT COMPLETED

PAYMENT REQUEST NO. _____ DATE: _____

W.O. 807-37.6 F/C

REDEVELOPMENT AGENCY FOR THE
 COUNTY OF RIVERSIDE
 3403 TENTH STREET, SUITE 500
 RIVERSIDE, CA 92501

CONSTRUCTION OF
 COMMUNITY OF HIGHGROVE
 CENTER STREET TRUNK SEWER

CONTRACTOR: _____ PAGE _____ OF _____

BY: _____
 (Signature & Date)

FEDERAL TAX IDENTIFICATION NO. OR SOCIAL SECURITY NO: _____
 ORIGINAL CONTRACT AMOUNT: \$ _____ ADJUSTED CONTRACT AMOUNT: \$ _____

CONTRACT WORK	CONTRACT AMOUNT	PERCENT COMPLETED	AMOUNT COMPLETED
SUBTOTAL:			

ENGINEER'S STATEMENT

WE HAVE EXAMINED THIS PAYMENT REQUEST AND APPROVE IT FOR PAYMENT, SUBJECT TO THE NOTED CHANGES AND/OR CORRECTIONS.
KRIEGER & STEWART

BY: _____
 (Signature & Date)

10% RETENTION (DEDUCT FROM SUBTOTAL): ()
 BALANCE: ()
 PREVIOUS PAYMENTS (DEDUCT FROM BALANCE): ()
 PAYMENT DUE: ()

**CONDITIONAL RELEASE
FOR UNDISPUTED AMOUNTS PAID**

OWNER: REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE

CONTRACTOR: _____

PROJECT: COMMUNITY OF HIGHGROVE CENTER STREET TRUNK SEWER

Upon receipt of \$ _____ from Owner as final payment of undisputed Contract amounts relating to all labor, services, equipment, or material furnished to Owner on the above-referenced project, Contractor shall and hereby does waive and release any right to a stop notice, mechanic's lien, or any right against any payment bond on the project and hereby releases Owner from any and all claims related to the project except for the disputed work and the amounts set forth below:

DESCRIPTION OF DISPUTED WORK	DISPUTED AMOUNT
INITIAL IF NONE: _____	INITIAL IF NONE: _____

NOTE: Contractor shall describe disputed work and list disputed amount therefor (the difference between awarded work and claimed work).

**CONDITIONAL RELEASE
FOR UNDISPUTED AMOUNTS PAID
(continued)**

Contractor acknowledges that it has been advised by its attorneys concerning, and is familiar with, the provisions of California Civil Code Section 1542, which provides as follows:

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

Contractor, in that connection, acknowledges that it may have sustained damages, loss, cost, or expense that is presently unknown or unsuspected, and that such damages, loss, cost, or expense as may have been sustained, may give rise to additional damages, loss, cost, or expense in the future. Nevertheless, Contractor acknowledges that this Release has been negotiated and agreed upon in light of that situation, and hereby expressly waives any and all rights which it may have under California Civil Code Section 1542 or under any other state or federal statutes or common law principle of similar effect.

Date: _____

Contractor

Name _____

By _____
(Authorized Representative, Written Signature)

(Authorized Representative, Typed or Printed Name)

Title _____
[Individual, Partner, Corporate Officer (Title)]

CONTRACT CHANGE ORDER NO. _____

W.O. 807-37.6 F/C

To Contract: COMMUNITY OF HIGHGROVE CENTER STREET TRUNK SEWER, dated _____

by and between: REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE (OWNER),

and: _____ (CONTRACTOR),

Contractor is hereby directed to make the following change in Contract Work:

Item No.	Description of Change	Decrease \$	Increase \$
Total Decrease in Contract Amount:		\$	
Total Increase in Contract Amount:			\$
Net Change in Contract Amount:		\$	
Contract Amount Prior to Change:		\$	
Contract Amount Adjusted for Change:		\$	

By reason of Change Order No. _____, time of completion shall be adjusted as follows: _____ calendar days. Adjusted Contract Completion Date shall be _____. All provisions of the Contract shall apply hereto, and shall become effective when fully executed (signed and dated) by both parties.

Recommended by (Engineer) _____ Date: _____

Accepted by (Contractor) _____ Date: _____

Approved by (Owner) _____ Date: _____

Remarks _____

This certificate is issued as a matter of information only and confers no rights upon the certificate holder; it does not alter, amend, or extend the coverage afforded by the policies listed below.

OWNER OR CERTIFICATE HOLDER: REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE

CONTRACTOR OR INSURED: TBU, INC.

PROJECT: COMMUNITY OF HIGHGROVE CENTER STREET TRUNK SEWER

Insurance Type	Insurance Company	Policy Number	Policy Effective Date	Policy Expiration Date	Description	Limits	
						Furnished	Specified
Worker's Compensation and Employer's Liability	TRAVELERS PROP & CAS CO OF AMERICA	DTJUB0685M59810	2/21/10	2/21/11	Statutory Accident-Policy Limit Disease-Policy Limit Disease-Each Employee	Statutory \$1,000,000 \$1,000,000 \$1,000,000	Statutory \$1,000,000 \$1,000,000 \$1,000,000
Automobile Liability Business _____ Commercial <input checked="" type="checkbox"/>	THE NETHERLANDS INS. CO.	BA8715634	9/13/09	9/13/10	Combined Single Limit Bodily Injury (per accident) Bodily Injury (per person) Property Damage	\$2,000,000 \$ \$ \$	\$1,000,000 \$1,000,000 \$1,000,000 \$500,000
General Liability Commercial <input checked="" type="checkbox"/> Comprehensive _____ Claims Made _____ Occurrence <input checked="" type="checkbox"/>	QBE SPECIALTY INS. CO.	GXG00496	9/13/09	9/13/10	General Aggregate* Each Occurrence* * Occurrence and aggregate limits apply per project.	\$2,000,000 \$1,000,000	\$2,000,000 \$1,000,000
Excess Liability Umbrella Form <input checked="" type="checkbox"/> Other Form _____	QBE SPECIALTY INS. CO.	GXU00268	9/13/09	9/13/10	Each Occurrence Aggregate	\$4,000,000 \$4,000,000	\$ \$
Course of Construction or Installation-Footer	ASSURANCE CO OF AMERICA	EC03151364	5/1/2010	5/1/2011	COMPLETED VALUE	\$2,335,691	TOTAL CONTRACT AMOUNT

SIGNATURE OF AUTHORIZED REPRESENTATIVE OF THE INSURER(S)

PAT REILLY

I, PAT REILLY, certify that I have authority to and hereby execute this certificate on behalf of the insurer(s) referenced above.

Date: 4-8-10 Signature: Pat Reilly Title: AGENT

Address: 2655 CAMINO DEL RIO N, SAN DIEGO, CA Telephone: 619-683-9990

**CONTRACT INSURANCE ENDORSEMENT
(REQUIRED)**

Company names, policy numbers, effective and expiration dates, and furnished limits set forth in the Contract Certificate of Insurance identify applicable insurance policies in which coverage is provided for the named project. Policy of insurance listed in the Certificate of Insurance has been issued to the named insured by each indicated insurance company for the policy period indicated and, as of the date of the aforementioned certificate, is in full force and effect. The insurance afforded by each policy described therein is subject to all the terms, conditions, limitations, and exclusions of such policy.

Automobile liability insurance covers all owned, non-owned, borrowed, and/or hired vehicles used by or for the benefit of Contractor. General liability insurance covers premises and operations, products and completed operations, blanket contractual (oral and written), independent contractors, owners and contractors protective, and, if applicable to the Work, collapse, explosion and underground hazards. Excess liability insurance covers all automobile and general liability coverages. Course of construction insurance covers fire and lightning, extended coverage, and vandalism and malicious mischief.

With respect to automobile, general, and excess liability insurance, Owner, its officials, officers, managers, agents, engineers, employees, and volunteers are covered as additional insureds to the extent of the limits set forth in the Contract Certificate of Insurance, but only while acting in their capacities as such, for liability arising from or in connection with the performance of the Work by Contractor, its agents, associates, representatives, employees, and subcontractors of every tier. With respect to course of construction or installation floater insurance, Owner is covered as additional insured. Insurer waives its rights of subrogation against the additional insureds.

Contractor's insurance is primary for additional insureds with respect to the performance of Contractor, those associated therewith, and those working thereunder, and any like insurance of Owner, its officials, officers, managers, agents, engineers, employees, and volunteers is excess and not contributing insurance with respect to insured claims under Contractor's policies. Contractor's insurance will apply separately to each insured against whom claim is made or suit is brought.

Contractor's insurance will not be cancelled, reduced, suspended, terminated, or voided in coverage or limits (except for general liability where the general aggregate limit has been reduced by claim(s) in which case insurer will immediately notify Owner of reduction in general aggregate limit resulting from such claim(s)) unless thirty (30) days prior written notice, by certified mail return receipt requested, has been given to Owner. Any failure to comply with reporting provisions of policies, including breaches of warranties, will not affect coverage provided to additional insureds.

SIGNATURE OF AUTHORIZED REPRESENTATIVE OF THE INSURER(S)

I, PAT REILLY, certify that I have authority to and hereby execute this endorsement on behalf of the insurer(s) referenced below.

Date: 3/30/10 Signature: *Pat Reilly* Title: AGENT
Address: 2655 CAMINO DEL RIO NO. SAN DIEGO, CA Telephone: 619-683-9990

Insurance policies to which this Contract Insurance Endorsement apply are as follows:

Insurance Type	Insurance Company	Policy Number	Policy Effective Date	Policy Expiration Date
Workers Compensation and Employers Liability	TRAVELERS PROPERTY CASUALTY CO OF AM	DTJUB0695M59810	2/21/10	2/21/11
Automobile Liability	THE NETHERLANDS INS CO	BA8715634	9/13/09	9/13/10
General Liability	QBE SPECIALTY INS CO	GXG00496	9/13/09	9/13/10
Excess Liability	QBE SPECIALTY INS CO	GXU00268	9/13/09	9/13/10
Course of Construction or Installation Floater	ASSURANCE CO OF AMER	EC03151364	5/1/10	5/1/11

Use separate Contract Insurance Endorsement if required (copy as needed).