

APPROVED
SEP 04 2019

**BOARD OF RECREATION
AND PARK COMMISSIONERS**

BOARD REPORT

NO. 19-176

DATE September 4, 2019

C.D. 1

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: LINCOLN PARK RECREATION CENTER – POOL AND BATHHOUSE REPLACEMENT PROJECT (PRJ1504P) (W.O #E1907715) – ACCEPTANCE OF STOP PAYMENT NOTICE AND RELEASE OF STOP PAYMENT NOTICE ON CONSTRUCTION CONTRACT NO. 3555

AP Diaz	_____	S. Piña-Cortez	_____
H. Fujita	_____	<i>for</i> C. Santo Domingo	<u>DP</u>
V. Israel	_____	N. Williams	_____


General Manager

Approved X Disapproved _____ Withdrawn _____

RECOMMENDATIONS

1. Direct staff to withhold the amounts claimed in the Stop Payment Notice against G2K Construction Inc., as detailed in this Report, plus an additional sum equal to 25% thereof, to defray any costs of litigation in the event of court action, if said amount of said funds are available, and to notify contractors, sureties, and other interested parties that the amount of said claims plus 25% will be withheld; and
2. Accept the Release of Stop Payment Notice for G2K Construction, Inc., as detailed in this Report.

STOP PAYMENT NOTICE

The Department of Recreation and Parks (RAP) is in receipt of a legal notice to withhold construction funds, pursuant to California Civil Code Sections 8044 on the following contract:

Contract 3555 CD 1

Lincoln Park Recreation Center (PRJ1504P)
(W.O. # E1907715)

General Contractor:	G2K Construction, Inc.
Claimant:	NH Environmental, Inc.
Amount:	\$296,774.25

RELEASE OF PAYMENT NOTICE

RAP is in receipt of a Release of Stop Payment Notice by the claimant below, which releases the Board of Recreation and Park Commissioners from any and all liability for withholding funds from the general contractor or the sureties:

BOARD REPORT

PG. 2 NO. 19-176

Contract 3555 CD 1

Lincoln Park Recreation Center (PRJ1504P)
(W.O. # E1907715)

General Contractor: G2K Construction, Inc.
Claimant: NH Environmental, Inc.
Amount: \$296,774.25

FISCAL IMPACT

Acceptance of Stop Payment Notices and the release of funds in connection with a Release of Stop Payment has no impact on RAP's General Fund.

This Report was prepared by Harold Arrivillaga, Commission Executive Assistant I.

ATTACHMENT

- 1.) Stop Payment Notice
- 2.) Release of Stop Payment Notice

Revised Amount

**STOP PAYMENT NOTICE - PUBLIC WORKS
LEGAL NOTICE TO WITHHOLD CONSTRUCTION FUNDS**

(California Civil Code §§ 8044, 9350 et seq.)

Bond Number WO#E1907715
TO: DIRECT CONTRACTOR
(see California Civil Code § 8018)
G2K Contructions, Inc.
28348 Roadside Drive
Suite 205
Agoura Hills, CA 91301
Contract #WO# E1907715

TO: PUBLIC ENTITY
(see California Civil Code §§ 8036)
Board of Recreation and Park Commissioner of the City of Los Angeles
221 N. Figueroa St 3rd Floor
Suite 300
Los Angeles, CA 90012
Contract #WO# E1907715
FROM: STOP PAYMENT NOTICE CLAIMANT
NH Environmental, Inc.
229 N. California Ave
City of Industry, CA 91744

Please take notice that NH Environmental, Inc., 229 N. California Ave, City of Industry, CA 91744, Phone: (626) 961-7000, Fax: (626) 961-7002 has furnished or has agreed to furnish the following kind of materials, labor, services or equipment: See Exhibit C. The person to or for whom the same was done or furnished is: G2K Contructions, Inc., 28348 Roadside Drive, Suite 205, Agoura Hills, CA 91301, Phone: (818) 889-6046, Fax: (818) 889-6048, which was performed in connection with the public work of improvement commonly known as the Lincoln Park Recreation Center Pool & Bathhouse Replacement , E1907715, 3501 Valley Blvd , Los Angeles, CA 90032 in the County of Los Angeles. The Public Entity of the above-described work of improvement is Board of Recreation and Park Commissioner of the City of Los Angeles , 221 N. Figueroa St 3rd Floor , Suite 300, Los Angeles, CA 90012, Phone: (213) 694-4329. The value of all labor, services, equipment and materials already done or furnished by Claimant is \$584,019.72. The value of all labor, services, equipment and materials agreed to be done or furnished by Claimant is \$228,000.00. The Claimant has been paid the sum of \$287,145.47 and there remains due and unpaid the sum of \$296,774.25 plus service charges or interest thereon at the rate of 10.00% per annum.

UNDER CALIFORNIA CIVIL CODE § 9358 YOU ARE REQUIRED TO SET ASIDE SUFFICIENT FUNDS TO SATISFY THIS CLAIM WITH INTEREST, COURT COSTS AND REASONABLE COSTS OF LITIGATION, AS PROVIDED BY LAW. YOU ARE ALSO NOTIFIED THAT CLAIMANT CLAIMS AN EQUITABLE LIEN AGAINST ANY CONSTRUCTION FUNDS FOR THIS PROJECT WHICH ARE IN YOUR HANDS.

Dated August 20, 2019, for NH Environmental, Inc., 229 N. California Ave, City of Industry, CA 91744, Phone: (626) 961-7000, Fax: (626) 961-7002.

By:  Daniel Limon, CEO

VERIFICATION

I, the undersigned state, I am the CEO of the claimant named in the foregoing Stop Payment Notice - Public Works; I have read said claim of Stop Payment Notice - Public Works and know the contents thereof; and certify that the same is true of my own knowledge. I certify (or declare) under penalty of perjury under the laws of the State Of California that the foregoing is true and correct. Executed at City of Industry, CA on August 20, 2019.

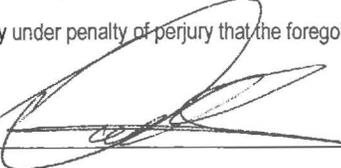
By:  Daniel Limon, CEO

PROOF OF SERVICE DECLARATION
(CALIFORNIA CIVIL CODE § § 8100-8118)

I, Daniel Limon , declare that I served copies of the above STOP PAYMENT NOTICE - PUBLIC WORKS, (check appropriate box):

- By personally delivering copies to (names(s) and title(s) of person served) at (address), on August 20, 2019 (date), at (time).
- By Registered or Certified Mail, Express Mail or Overnight Delivery by an express service carrier, addressed to each of the parties at the address shown above on August 20, 2019.
- By leaving the notice and mailing a copy in the manner provided in § 415.20 of the California Code of Civil Procedure for service of Summons and Complaint in a Civil Action.

I certify under penalty of perjury that the foregoing is true and correct. Signed at CITY OF INDUSTRY, Ca on August 20, 2019.

By:  Daniel Limon , CEO

RECEIVED
8/23/19

see attached CA Certificate

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)
County of Los Angeles)

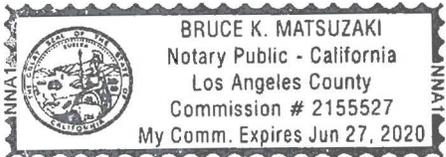
On August 20, 2019 before me, Bruce K. Matsuzaki, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Daniel Limon
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

Title or Type of Document: Stop Payment Notice Document Date: August 20, 2019
Number of Pages: 1 Signer(s) Other Than Named Above: none

Capacity(ies) Claimed by Signer(s)

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

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

Exhibit C - Complete Description Of Materials Or Labor Supplied

Owner: Board of Recreation and Park Commissioner of the City of Los Angeles , 221 N. Figueroa St 3rd Floor , Suite 300, Los Angeles, CA 90012, Phone: (213) 694-4329

Project: Lincoln Park Recreation Center Pool & Bathhouse Replacement , E1907715, 3501 Valley Blvd , Los Angeles, CA 90032 in the County of Los Angeles

The following is a complete list, to the best of our knowledge, of all Materials or Labor, which by agreement, were supplied or will be supplied by: NH Environmental, Inc., 229 N. California Ave, City of Industry, CA 91744, Phone: (626) 961-7000, Fax: (626) 961-7002.

Demolition, grading disposal

Exhibit C - Complete Description Of The Contract Terms

Exhibit D - List of Additional Parties

Owner: Board of Recreation and Park Commissioner of the City of Los Angeles , 221 N. Figueroa St 3rd Floor , Suite 300, Los Angeles, CA 90012, Phone: (213) 694-4329

Project: Lincoln Park Recreation Center Pool & Bathhouse Replacement , E1907715, 3501 Valley Blvd , Los Angeles, CA 90032 in the County of Los Angeles

The following is a complete list, to the best of our knowledge, of all additional or secondary parties with an interest in the aforementioned project:

ADDITIONAL LENDER, SURETY OR BONDING COMPANY

International Fidelity Insurance Company

One Newark Center

20th Floor

Newark, NJ, 07102

Bond Number: 0704596

RELEASE OF STOP NOTICE BOND (Public Works) Revised Original

BOND NO: 0604080
\$ 3,710.00 premium is for
a term of One (1) year(s)

KNOW ALL MEN BY THESE PRESENTS:

That we, G2K Construction, Inc., as Principal,
and Allegheny Casualty Company, a corporation organized and doing business
under and by virtue of the laws of the State of New Jersey and duly licensed to conduct
a general surety business in the State of California as Surety, are held and firmly bound unto

City of Los Angeles

as Oblige, in the sum of Three Hundred Seventy Thousand, Nine Hundred Sixty-Seven and 81/100

(\$ 370,967.81) Dollars, for which payment, well and truly to be made, we bind ourselves, our heirs,
executors and successors, jointly and severally firmly by these presents.

THE CONDITION OF THE OBLIGATION IS SUCH THAT, WHEREAS, the above named Principal has been
furnished labor and/or materials by NH Environmental, Inc.

against which there is still unpaid the sum of Two Hundred Ninety-Six Thousand, Seven Hundred Seventy-Four and 25/100

(\$ 296,774.25) Dollars, in connection with construction of
Lincoln Park Recreation Center, Pool & Bathhouse Replacement, W.O. #E1907715

WHEREAS, NH Environmental, Inc., claimant, has filed a verified claim
and Stop Notice covering labor and/or materials, and has requested said Oblige to withhold funds and whereas said

Principal desires to have funds released, said Principal is required to file an undertaking in the sum of
Three Hundred Seventy Thousand, Nine Hundred Sixty-Seven and 81/100

(\$ 370,967.81) Dollars, being one and one quarter (1 1/4) times the amount of the said claim as required
under Section 3196, of the Civil Code of the State of California.

NOW, THEREFORE, the condition of this obligation is such, that if the Claimant in this matter shall receive
judgment in any action brought on said claim, the Principal shall pay said judgment and costs to Claimant, in
an amount not exceeding the sum specified in this undertaking, then this obligation shall be null and void, otherwise
to remain in full force and effect.

IN WITNESS WHEREOF, the seal and signature of said Principal is hereto affixed and the corporate seal and the
name of the said Surety is hereto affixed and attested by its duly authorized Attorney-in-Fact at

Glendale, California, this 21st day of August, 2019

G2K Construction, Inc. Principal

EMILIA LEUY (Signature)

Allegheny Casualty Company Surety

BY: William Syrkin, Attorney-in-Fact

POWER OF ATTORNEY
INTERNATIONAL FIDELITY INSURANCE COMPANY
ALLEGHENY CASUALTY COMPANY

Bond # 0604080

One Newark Center, 20th Floor, Newark, New Jersey 07102-5207 PHONE: (973) 624-7200

KNOW ALL MEN BY THESE PRESENTS: That **INTERNATIONAL FIDELITY INSURANCE COMPANY**, a corporation organized and existing under the laws of the State of New Jersey, and **ALLEGHENY CASUALTY COMPANY** a corporation organized and existing under the laws of the State of New Jersey, having their principal office in the City of Newark, New Jersey, do hereby constitute and appoint

REBECCA HAAS-BATES, RICHARD ADAIR, OWEN M. BROWN, WILLIAM SYRKIN

Irvine, CA

their true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said **INTERNATIONAL FIDELITY INSURANCE COMPANY** and **ALLEGHENY CASUALTY COMPANY**, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by their regularly elected officers at their principal offices.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of the By-Laws of **INTERNATIONAL FIDELITY INSURANCE COMPANY** and **ALLEGHENY CASUALTY COMPANY** and is granted under and by authority of the following resolution adopted by the Board of Directors of **INTERNATIONAL FIDELITY INSURANCE COMPANY** at a meeting duly held on the 20th day of July, 2010 and by the Board of Directors of **ALLEGHENY CASUALTY COMPANY** at a meeting duly held on the 10th day of July, 2015

"**RESOLVED**, that (1) the Chief Executive Officer, President, Executive Vice President, Senior Vice President, Vice President, or Secretary of the Corporation shall have the power to appoint, and to revoke the appointments of, Attorneys-in-Fact or agents with power and authority as defined or limited in their respective powers of attorney, and to execute on behalf of the Corporation and affix the Corporation's seal thereto, bonds, undertakings, recognizances, contracts of indemnity and other written obligations in the nature thereof or related thereto; and (2) any such Officers of the Corporation may appoint and revoke the appointments of joint-control custodians, agents for acceptance of process, and Attorneys-in-fact with authority to execute waivers and consents on behalf of the Corporation; and (3) the signature of any such Officer of the Corporation and the Corporation's seal may be affixed by facsimile to any power of attorney or certification given for the execution of any bond, undertaking, recognizance, contract of indemnity or other written obligation in the nature thereof or related thereto, such signature and seals when so used whether heretofore or hereafter, being hereby adopted by the Corporation as the original signature of such officer and the original seal of the Corporation, to be valid and binding upon the Corporation with the same force and effect as though manually affixed."

IN WITNESS WHEREOF, **INTERNATIONAL FIDELITY INSURANCE COMPANY** and
ALLEGHENY CASUALTY COMPANY have each executed and attested these presents
on this 31st day of December, 2018



STATE OF NEW JERSEY
County of Essex

Kenneth Chapman

Executive Vice President, International Fidelity Insurance Company and
Allegheny Casualty Company



On this 31st day of December, 2018, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of **INTERNATIONAL FIDELITY INSURANCE COMPANY** and **ALLEGHENY CASUALTY COMPANY**; that the seals affixed to said instrument are the Corporate Seals of said Companies; that the said Corporate Seals and his signature were duly affixed by order of the Boards of Directors of said Companies.



IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark,
New Jersey the day and year first above written.

Shirelle A. Outley a Notary Public of New Jersey
My Commission Expires April 4, 2023

CERTIFICATION

I, the undersigned officer of **INTERNATIONAL FIDELITY INSURANCE COMPANY** and **ALLEGHENY CASUALTY COMPANY** do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Sections of the By-Laws of said Companies as set forth in said Power of Attorney, with the originals on file in the home office of said companies, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand on this day, August 21, 2019

Irene Martins, Assistant Secretary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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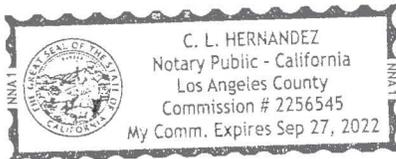
State of California)
County of Los Angeles)

On August 21, 2019 before me, C. L. Hernandez, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared William Syrkin
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 *C. L. Hernandez*
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

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

Description of Attached Document

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

Capacity(ies) Claimed by Signer(s)

Signer's Name: William Syrkin
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____

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

Signer Is Representing: Allegheny Casualty Company

Signer Is Representing: _____