

Los Angeles Unified School District

Facilities Services Division Facilities Construction Contracts

DAVID L. BREWER III
Superintendent of Schools

JOSEPH A. MEHULA
Chief Facilities Executive
Facilities Services Division

TERRY DILLON
Director, Facilities Contracts

April 8, 2008

FAXED
Fax No. (714) 712-4415

TURNER CONSTRUCTION CO., INC.
1900 South Gate College Boulevard
Anaheim CA 92806

NOTICE OF AWARD - SOLE-SOURCE CONTRACT

Contract No.: 0810147S
Project: MACLAY PRIMARY CENTER (PROJ #47G05202)
NOBLE ELEMENTARY SCHOOL #1 (PROJ #47B06002)
MONROE ELEMENTARY SCHOOL #2 (PROJ #55I98017)
NORTH HOLLYWOOD ELEMENTARY SCHOOL #3 (PROJ #55I98015)
Project Description: B-PERMIT CORRECTIONS
Contract Amount: \$61,035.00
Contract Duration: 30 Calendar Days

This is your notice that you have been awarded the contract for the above-referenced project on April 8, 2008 hereby defined as the **EFFECTIVE DATE OF THE CONTRACT**.

The executed contract documents are attached for your records. If you need to pick-up a clean copy, please give me a call.

Please contact your project Owner Authorized Representative (OAR), STEVEN ROSS, at (213) 253-8791 regarding scheduling of the Job Start Meeting and issuance of the Notice to Proceed.

If you should have any questions regarding award of contract, please contact our office at (213) 207-2318.

Sincerely,


CHRISTY GUZMAN
Contract Administration Analyst

CG/mg

c: T. Dillon
J. Doyle
B. Raslan
Y. Merriman Garrett
E. Byrd
S. Ross
R. Reider
J. Otero
J. Barcy
File (Bid No: 0810147S)
P/S

SOLE-SOURCE AGREEMENT

INTRODUCTION

This Sole-Source Agreement is made and entered into, on April 8, 2008, by and between the **Los Angeles Unified School District**, by and through the Board of Education (hereinafter called the "District"), and **TURNER CONSTRUCTION COMPANY** (hereinafter called the "Contractor"). The District and the Contractor are sometimes hereinafter collectively referred to as the "parties" and or singularly as a "party".

RECITALS

WHEREAS after undergoing a selection process pursuant to Education Code 17406 (Lease-Back), the District had entered into a Development Agreement bearing contract number **0410068** (hereinafter called the "Original Contract") with The Eastridge Companies, LLC (hereinafter called the "Original Developer") who contracted **Turner Construction Company** (hereinafter called the "Original Contractor") on **January 5, 2004**, to construct public elementary schools commonly known as "**Maclay Primary Center**" (Project #47.05202), "**Monroe Elementary School No. 1**" (Project #55.98017) and **North Hollywood Elementary School #3** (Project #55.98015) (collectively hereinafter called the "Project"), and

WHEREAS after undergoing a selection process pursuant to Education Code 17406 (Lease-Back), the District had entered into a Development Agreement bearing contract number **0410417** (hereinafter called the "Original Contract") with The Eastridge Companies, LLC

B-Permit Corrections
Maclay PC (#47G05202)
Noble ES #1 (#47B06002)
Monroe ES #2 (55L98017)
North Hollywood ES #3 (#55998015)
CONTRACT NO. 0810147S

Issued 02/11/08
Sole-Source Contract
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(hereinafter called the "Original Developer") who contracted **Turner Construction Company** (hereinafter called the "Original Contractor") on **April 30, 2004**, to construct a public elementary school commonly known as **Noble Elementary School No. 1 (Project #47.06002)** (also called the "Project").

WHEREAS the Original Contracts included the procurement and installation of the B-Permit Improvements from Turner Construction Company (hereinafter called the "Original Contractor"). The Original Contractor's contract required the completion of the B-Permit improvements as represented on the contract drawings. Upon review of the installation by City Inspectors during inspection, additional punchlist items were identified by the City of Los Angeles to be completed as part of B-Permit work prior to acceptance of the work. The punchlist items identified were outside of the original contract's scope and disputed by the Original Contractor at the time of contract close-out. After repeated efforts to resolve the issue with the City of Los Angeles, we were unable to gain approval without inclusion of the additional scope, and since the City required the Original Contractor to close the permit, we were required to initiate this Sole Source Contract in lieu of completion through other means.

WHEREAS, a disagreement between the Original Contractor and the District over the terms of the Original B-Permit work prevented the completion of the B-Permit off-site improvements within the Contract period.

WHEREAS, the District's right to complete the Work in such a manner is in addition to, and without prejudice to, any and all other rights and remedies that the District has by, under and/or through the Original Contract, the original performance bond and/or the law;

WHEREAS, the District has determined the Original Contractor is required to perform the work as required by the City of Los Angeles to close the currently open B-Permit, and has approved the completion of all remaining scope of work by negotiating a Sole-Source Contract with the Original Contractor.

NOW, THEREFORE, pursuant to any and all rights and remedies that the District does possess, the District and the Contractor have entered into this Sole-Source Agreement upon the terms and conditions set forth herein below to complete the **B-Permit Corrections** (hereinafter called the "Work") at **Maclay Primary Center, Monroe Elementary School No. 2, Noble Elementary School No. 1 and North Hollywood Elementary School No. 3**

TERMS AND CONDITIONS

WHEREAS the District is authorized by Government Code Section 53060 to contract with an independent Contractor specially trained to perform special services required; and

WHEREAS the Contractor is specially trained and experienced and competent to perform the special services pursuant to this agreement; therefore the parties hereto agree as follows:

1. **TIME FOR COMPLETION.** The work shall be commenced on the date stated in the Notice to Proceed. The time period for final completion of the work shall be **30 calendar days** from the date set forth in the Notice to Proceed issued by the District.
2. **DUTIES OF THE CONTRACTOR** shall be to provide services in accordance with the Scope of Work - Attachment "A" which is attached hereto and made a part hereof.

The performance of these duties shall be at times and places within the limits of District

policy at the discretion of the Contractor.

3. **BONDS.** Within seven (7) days from the issuance of the Notice of Intent to Award by the District, and before any Notice to Proceed can be issued, the Contractor shall provide the District both of the following bonds: (a) a payment bond, as required by Civil Code Sections 3247 et seq. issued on the form affixed hereto as Attachment "C" with a penal sum limit equal to 100% of the amount of this Sole-Source Agreement; and (b) a faithful performance bond issued on the form affixed hereto as Attachment "D" with a penal sum limit equal to 100% of the amount of this Sole Source Agreement. Both bonds shall be issued by a corporate surety authorized and admitted to transact surety business in California as defined in Civil Code of Civil Procedure Section 995.120 and be listed by the U.S. Treasury with a bonding capacity in excess of the amount of this Sole-Source Agreement. The delivery of both of the bonds as required by this paragraph is a condition subsequent to the validity and enforceability of this Sole-Agreement, such that if the Contractor fails, neglects and/or fails to provide either of the required bonds, then this Sole-Source Agreement is null, void and unenforceable.
4. **LIABILITY.** The District shall not be liable to the Contractor for personal injury or property damage sustained by the Contractor in the performance of this agreement whether caused by the District, its officers, employees, or by third persons:
5. **INDEPENDENT CONTRACTOR.** While engaged in performance of this agreement the Contractor is an independent Contractor and is not an officer, agent, or employee of the District. Contractor is not entitled to benefits of any kind to which District's employees

are entitled, including but not limited to unemployment compensation, workers' compensation, health insurance and retirement benefits. Contractor assumes full responsibility for the acts and/or omissions of Contractor's employees or agents as they relate to performance of this agreement. Contractor assumes full responsibility for workers' compensation insurance, and payment of all federal, state and local taxes or contributions, including but not limited to unemployment insurance, social security, Medicare and income taxes with respect to Contractor and Contractor's employees. Contractor warrants its compliance with the criteria established by the U.S. Internal Revenue Service (I.R.S.) for qualification as an independent Contractor, including but not limited to being hired on a temporary basis, having some discretion in scheduling time to complete contract work, working for more than one employer at a time, and acquiring and maintaining its own office space and equipment. Contractor agrees to indemnify District for all costs and any penalties arising from audits by state and/or federal tax entities related to services provided by Contractor's employees and agents under this agreement.

6. **CONTRACT VALUE.** The District shall pay the Contractor **\$61,035.00** in accordance with the Scope of Work – Attachment "A" which is attached hereto and made a part hereof. Payment shall be contingent upon acceptance of the Work and approval of invoice(s) by the Owner Authorized Representative ("OAR") or his/her designee. The District will process payment within **forty-five (45)** days of receipt of invoice(s) which meet the requirements of this section, so long as the District has on file a fully executed contract for the invoiced services. Invoices must (a) reference the Sole-Source Contract

Number, (b) be signed and submitted by the Contractor to the locations identified below, and (c) shall itemize services, date(s), and payment rate(s) consistent with the terms of this agreement. Any invoice(s) failing to meet the requirements set forth in this section will not be considered for payment within forty-five (45) days and may be rejected and/or returned to the Contractor. Additional documentation shall be furnished by the Contractor to the District's Accounts Payable Branch upon request.

Mail Original Invoice(s) and

Mail One (1) Copy of Invoice(s)

Two (2) Copies to:

Los Angeles Unified School District

Los Angeles Unified School District

1055 7th Street

Accounts Payable Branch

Los Angeles, CA 90017

333 S. Beaudry Ave., 27th Floor

Attention: Steven Ross (OAR)

Los Angeles, CA 90017

Attention: Trung Dam

7. **RIGHTS TO REPORT.** The rights to any report, evaluation and/or other material developed by the Contractor in connection with this agreement shall belong to the District.
8. **CONFLICT OF INTEREST.** Contractor represents that Contractor has no existing financial interest and will not acquire any such interest, direct or indirect, which could conflict in any manner or degree with the performance of services required under this agreement and that no person having any such interest shall be subcontracted in connection with this agreement, or employed by Contractor. Contractor shall not conduct

or solicit any non-District business while on District property or time.

Contractor will also take all necessary steps to avoid the appearance of a conflict of interest and shall have a duty to disclose to the District prior to entering into this agreement any and all circumstances existing at such time which pose a potential conflict of interest.

Contractor warrants that it has not directly or indirectly offered or given, and will not directly or indirectly offer or give, to any employee, agent, or representative of District any cash or non-cash gratuity or payment with view toward securing any business from District or influencing such person with respect to the conditions, or performance of any contracts with or orders from District, including without limitation to this agreement.

Any breach of this warranty shall be a material breach of each and every contract between District and Contractor.

As a condition of this agreement, Contractor agrees to comply with the Code of Ethics set forth in the Los Angeles Unified School District Ethics Policy Statement which is attached under Attachment "B" – Certification Requirements and made a part hereof.

Should a conflict of interest issue arise, Contractor agrees to fully cooperate in any inquiry and to provide the District with all documents or other information reasonably necessary to enable the District to determine whether or not a conflict of interest existed or exists.

Failure to comply with the provisions of this section shall constitute grounds for immediate termination of this agreement, in addition to whatever other remedies the

District may have.

9. **AUDIT AND INSPECTION OF RECORDS.** The Contractor shall maintain, and the District shall have the right to examine and audit all of the books, records, documents, accounting procedures and practices and other evidence regardless of form (e.g., machine-readable media such as disk, tape, etc.) or type (e.g., databases, applications software, database management software, utilities, etc.), sufficient to properly reflect all costs claimed to have been incurred or anticipated to be incurred in performing the agreement.

The Contractor shall make said evidence (or to the extent accepted by the District, photographs, micro-photographs or other authentic reproductions thereof) available to the District at the District's or the Contractor's offices (to be specified by the District) at all reasonable times and without charge to the District. Said evidence/records shall be provided to the District within five (5) working days of a written request from the District. The Contractor shall, at no cost to the District, furnish assistance for such examination/audit. The Contractor and its sub-contractors and suppliers shall keep and preserve all such records for a period of at least 3 years from and after final payment or if the agreement is terminated in whole or in part until 3 years after the final agreement close-out. The District's rights under this section shall also include access to the Contractor's offices, for the purpose of interviewing the Contractor's employees. Any information provided on machine-readable media shall be provided in a format accessible and readable by the District. The Contractor's failure to provide records or

access within the time requested shall preclude Contractor from receiving any payment due under the terms of this agreement until such evidence/documents are provided to the District. The Contractor shall obtain from its subcontractors and suppliers written agreements to the requirements of this section and shall provide a copy of such agreements to the District upon request by the District.

10. **CONFIDENTIALITY.**

10.1 This agreement, all communications and information obtained by Contractor from District relating to this agreement, and all information developed by Contractor under this agreement, are confidential. Except as provided in Subsection 9.3, without the prior written consent of an authorized representative of District, Contractor shall neither divulge to, nor discuss with, any third party either the work and services provided hereunder, or any communication or information in connection with such services or work, except as required by law. Prior to any disclosure of such matters, whether as required by law or otherwise, Contractor shall inform District, in writing, of the nature and reasons for such disclosure. Contractor shall not use any communications or information obtained from District for any purpose other than the performance of this agreement, without District's written prior consent.

10.2 At the conclusion of the performance of this agreement, Contractor shall return to District all written materials constituting or incorporating any communications or information obtained from District. Upon District's specific approval, Contractor

may retain copies of such materials, subject to the requirements of Subsection 9.1.

10.3 Contractor may disclose to any subcontractor, or District approved third parties, any information otherwise subject to Subsection 9.1 that is reasonably required for the performance of the subcontractor's work. Prior to any such disclosure, Contractor shall obtain the subcontractor's written agreement to the requirements of Subsection 9.1 and shall provide a copy of such agreement to District.

10.4 Contractor represents that it shall not publish or cause to be disseminated through any press release, public statement, or marketing or selling effort any information which relates to this agreement without the prior written approval of District.

10.5 Contractor's obligation of confidence with respect to information submitted or disclosed to Contractor by District hereunder shall survive termination of this agreement.

11. **EVALUATION.** The Contractor acknowledges that the presentation or services may be evaluated by the participants, the Sponsor, the District's Program Evaluation & Research Branch (PE&RB) or any other District offices or schools and understands that the results of the evaluation may be made available to the Contractor, other schools and offices within the District, and other school districts and agencies upon request. The Contractor agrees to cooperate fully with any such evaluation and agrees to promptly furnish any information that is requested by the District for evaluation purposes.

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12. **EQUAL EMPLOYMENT OPPORTUNITY.** It is the policy of the District that, in connection with all work performed under District agreements, there shall be no discrimination against any employee or applicant for employment because of race, color, religious creed, national origin, ancestry, marital status, sex, sexual orientation, age, disability or medical condition and therefore the Contractor agrees to comply with applicable federal and state laws. In addition, the Contractor agrees to require like compliance by all subcontractors employed on the work.

13. **TERMINATION FOR CONVENIENCE**

13.1 The District may, by written notice to the Contractor, terminate this agreement in whole or in part at any time, for the District's convenience. Upon receipt of such notice, the Contractor shall:

(1) immediately discontinue all services affected (unless the notice directs otherwise)

and

(2) deliver to the District all information and material as may have been involved in the provision of services whether provided by the District or generated by the Contractor in the performance of this agreement, whether completed or in process.

Termination of this agreement shall be as of the date of receipt by the Contractor of such notice.

13.2 If the termination is for the convenience of the District, Contractor shall submit a final invoice within 60 days of termination and upon approval by the District, the District shall pay the Contractor the sums earned for the services actually

performed prior to the effective date of termination and other costs reasonably incurred by the Contractor to implement the termination.

13.3 The Contractor shall not be entitled to anticipatory or consequential damages as a result of any termination under this section. Payment to the Contractor in accordance with this section shall constitute the Contractor's exclusive remedy for any termination hereunder. The rights and remedies of the District provided in this section are in addition to any other rights and remedies provided by law or under this agreement.

14. **TERMINATION FOR DEFAULT**

14.1 The District may, by written notice to the Contractor, terminate this agreement in whole or in part at any time because of the failure of the Contractor to fulfill its contractual obligations. Upon receipt of such notice, the Contractor shall:

- (1) immediately discontinue all services affected (unless the notice directs otherwise) and

- (2) deliver to the District all information and material as may have been involved in the provision of services whether provided by the District or generated by the Contractor in the performance of this agreement, whether completed or in process.

Termination of this agreement shall be as of the date of receipt by the Contractor of such notice.

14.2 If the termination is due to the failure of the Contractor to fulfill its contractual obligations, the District may take over the services, and complete the services by

contract or otherwise. In such case, the Contractor shall be liable to the District for any reasonable costs or damages occasioned to the District thereby. The expense of completing the services, or any other costs or damages otherwise resulting from the failure of the Contractor to fulfill its obligations, will be charged to the Contractor and will be deducted by the District out of such payments as may be due or may at any time thereafter become due to the Contractor. If such costs and expenses are in excess of the sum which otherwise would have been payable to the Contractor, then the Contractor shall promptly pay the amount of such excess to the District upon notice of the excess so due.

14.3 If, after the notice of termination for failure to fulfill contract obligations, it is determined that the Contractor has not so failed, the termination shall be deemed to have been effected for the convenience of the District. In such event, adjustment shall be made as provided in the prior section, Termination for Convenience.

14.4 The Contractor shall not be entitled to anticipatory or consequential damages as a result of any termination under this section. Payment to the Contractor in accordance with this section shall constitute the Contractor's exclusive remedy for any termination hereunder. The rights and remedies of the District provided in this section are in addition to any other rights and remedies provided by law or under this agreement.

15. **ASSIGNMENTS**. Neither the performance of this agreement, nor any part thereof, may be assigned by either party without the prior written consent and approval of the other.

16. **GOVERNING LAW.** The validity, interpretation and performance of this agreement shall be determined according to the laws of the State of California.

17. **ENTIRE AGREEMENT/AMENDMENT.** This agreement and any exhibits attached hereto constitute the entire agreement between the parties to the agreement and supersede any prior or contemporaneous written or oral understanding or agreement, and may be amended only by written amendment executed by both parties to this agreement.

18. **CERTIFICATION REGARDING DEBARMENT, SUSPENSION OR INELIGIBILITY FOR AWARD (EXECUTIVE ORDER 12549).**

The following certification is applicable only to contracts for \$100,000 or more which are funded by Federal funds.

By signing this agreement, the Contractor certifies that:

- (a) The Contractor and any of its principals are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency, and
- (b) Have not, within a three-year period preceding this contract, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, state or local government contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and are not presently indicted for, or otherwise criminally or civilly

charged by a Government entity with, commission of any of these offenses.

19 . **REPRESENTATIONS, WARRANTIES, AND COVENANTS**

Notwithstanding any language to the contrary in this Agreement or any exhibit to this Agreement, Contractor represents, warrants, and covenants to District as follows:

19.1 Compliance with Laws and Regulations

At all times during the term of this Agreement, Contractor shall comply with all applicable federal, state, and local laws and regulations during its performance of all work contemplated by Exhibit A to this Agreement ("Work"). Contractor represents and warrants that it has all licenses or certificates required to perform the Work or has received waivers from such requirements. Contractor shall insure that all subcontractors performing Work under this Agreement are properly licensed to perform such Work. Contractor shall provide District with all reasonable assistance in complying with all applicable federal, state, and local laws and regulations.

19.2 Non- Infringement

The Work shall not violate or infringe upon the rights of any third party, including, without limitation, any patent rights, copyright rights, trademark rights, trade secret rights, or other proprietary rights of any kind.

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19.3 Authority

Contractor has full power and authority to enter into this Agreement and to perform hereunder, and such entry and performance do not and will not violate any rights of any third party.

19.4 No Claims

There is no action, suit, proceeding, or material claim or investigation pending or threatened against it in any court, or by or before any federal, state, municipal, or other governmental department, commission, board, bureau, agency, or instrumentality, domestic or foreign, or before any arbitrator of any kind, that, if adversely determined, might adversely affect the Work or restrict Contractor's ability to complete the transactions contemplated by this Agreement, or restrict District's right to use the Work. Contractor knows of no basis for any such action, suit, claim, investigation, or proceeding.

20. DISTRICT DATA

Notwithstanding any language to the contrary in this Agreement or any exhibit to this Agreement, any data or other material furnished by District for use by Contractor under this Agreement shall remain the sole property of District and will be held in confidence in accordance with Section 9 of this Agreement.

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21. **INDEMNIFICATION**

Notwithstanding any language to the contrary in this Agreement or any exhibit to this Agreement, Contractor shall indemnify District as follows:

21.1 General Indemnity

A. Contractor shall indemnify and hold District and its Board Members, administrators, employees, agents, attorneys, and Contractors (Indemnitees) harmless against all liability, loss, damage and expense (including reasonable attorneys' fees) resulting from or arising out of this contract or its performance, whether such loss, expense, damage or liability was proximately caused in whole or in part by the negligent or willful act or omission by Contractor, including, without limitation, its agents, employees, subcontractors or anyone employed directly or indirectly by it.

B. This indemnification shall apply even in the event of the act, omission, fault, or negligence, whether active or passive, of the Indemnitee(s), but shall not apply to claims arising from the sole negligence or willful misconduct of the Indemnitee(s).

21.2 Proprietary Rights Indemnity

Contractor shall indemnify and hold harmless District, its officers, directors, employees, agents from and against any losses suffered by District as a result of Contractor's breach of its warranties set forth in Section 20 of this Agreement.

Contractor shall defend, indemnify, and hold harmless District, its officers, directors, employees, agents from and against any claim, demand, challenge, suit, loss, cost,

damage, or liability based on any assertion that the Work or any component or part thereof infringes, misappropriates, or violates any patent right, copyright right, trade secret, or other proprietary right of any third party. District shall notify Contractor in writing of the initial claim or action brought against it. The selection of counsel, the conduct of the defense of any lawsuit, and any settlement shall be within Contractor's control; *provided* that District shall have the right to participate in the defense of any such infringement claim using counsel of its choice, at District's expense. No settlement shall be made without notice to, and the prior written consent of, District.

21.3 Insurance

[Please see Attachment "E" – Owner Controlled Insurance Program (OCIP)]

Contractor, upon execution of this contract and periodically thereafter upon request, shall furnish the District with certificates of insurance evidencing such coverage. The certificate of insurance shall include a thirty (30) day non-renewal notice provision. The policies of insurance providing the coverage shall name the District and the Board of Education as additional insured with respect to any potential tort liability, irrespective of whether such potential liability might be predicated on theories of negligence, strict liability or products liability. Premiums on all insurance policies shall be paid by Contractor and shall be deemed included in Contractor's obligations under this contract at no additional charge.

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22.

SECURITY

Notwithstanding any language to the contrary in this Agreement or any exhibit to this Agreement, Contractor agrees that it and its personnel shall at all times comply with all security regulations in effect from time to time at District's premises and shall comply with District's security policies and procedures if granted access to District's computer or communications networks.

23.

FINGERPRINTING

The Contractor shall comply with the requirements of California Education Code Section 45125.1, and perform the following acts:

- A. Require all current and subsequent employees of Contractor who may enter a school site during the time that pupils are present to submit their fingerprints in a manner authorized by the California Department of Justice (the "CDOJ");
- B. Prohibit employees of Contractor from coming into contact with pupils until the CDOJ has ascertained that the employee has not been convicted of a felony as defined in California Education Code Section 45122.1;
- C. Certify in writing to the District that neither Contractor nor any of Contractor's employees who may enter a school site during the time that pupils are present have been convicted of a felony as defined in California Education Code Section 45122.1 and provide such certification to the District administrator for this contract; and

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D. Provide a list of the names of Contractor's employees who may have contact with pupils to the District administrator for this contract. This list shall be updated for employee changes and shall list employees by appropriate school site.

E. The District may require the Contractor and its employees who may have contact with pupils to submit to additional background checks at the District's sole and absolute discretion.

24. **BUDGET CONTINGENCY**

24.1 It is mutually agreed that if the current year budget and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the District shall have no liability to pay any funds to the Contractor or furnish any other considerations under this Agreement, and the Contractor shall not be obligated to perform any provisions of this Agreement.

24.2 If funding for any fiscal year is reduced or terminated by the Board of Education for purposes of this Agreement, the District shall have the option to either cancel this Agreement with no liability occurring to the District, or offer an amendment to this Agreement to Contractor to reflect the reduced amount.

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IN WITNESS WHEREOF, the parties have executed this Sole-Source Agreement on
the date stated above.

LOS ANGELES UNIFIED SCHOOL DISTRICT

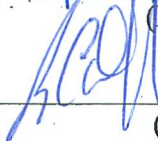
By: 
Terry Dillon

Director, Facilities Contracts

Dated: 7/8/08

TURNER CONSTRUCTION COMPANY.


By: ROBY D. JAWI
(Print Name)


(Signature)

CR. V.P.
(Title)

Contractor's License No. B210639

Federal ID No. 13-1401980

Dated:  2/25/08

DOCUMENT 00610

Travelers Bond No. 105043096
Federal Bond No. 8213-95-33
F&D/Zurich Bond No. 08838662
INSCOPA Bond No. 916204

**PAYMENT BOND
(OFF-SITE IMPROVEMENT)**

KNOW ALL MEN BY THESE PRESENTS, That we Turner Construction Company

1900 South State College Blvd., Suite 200, Anaheim, CA 92806

the CONTRACTOR in the Contract hereto annexed, as principal, and SEE ATTACHMENT A

as Surety,

are held and firmly bound unto the

LOS ANGELES UNIFIED SCHOOL DISTRICT, acting by and through its
BOARD OF EDUCATION

hereinafter called the OWNER, in the sum of Sixty One Thousand Thirty Five and 00/100 Dollars (\$61,035.00)

lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, our heirs, executors, administrators and assigns, jointly, severally, firmly, by these promises.

Signed, sealed and dated February 22, 2008

This bond covers claims whether such claims arise before or after the date on which this bond is issued.

The condition of the above obligation is that if said principal as CONTRACTOR in the Contract hereto annexed, or his or its Subcontractors, fail to pay for any materials, provisions, provender or other supplies, or teams, used in, upon, for or about the performance of the Work contracted to be done by said CONTRACTOR, namely, to furnish all tools, equipment, apparatus, facilities, transportation, labor, and material, other than material, if any, agreed to be furnished by the OWNER, necessary to perform and complete, and to perform and complete in a good and workmanlike manner, the Work of LAUSD B-Permit Corrections - Sole Source Agreement No. 0810147S Issued 2/11/08.

in strict conformity with the terms and conditions set forth in the Contract hereto annexed, or for any Work or labor done thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such Work or labor, said Surety will pay for the same in an amount not exceeding the sum hereinabove set forth, and also, in case suit is brought upon this bond, the court shall award a reasonable attorney's fee, only the amount thereof being within the court's discretion. This bond is executed in accordance with the requirements of Chapter 3 of Division 5, Title 1 of the Government Code, and acts amendatory thereof, and is subject to the provisions thereof, and shall inure to the benefit of any and all persons, companies, and corporations entitled to file claims under and by virtue of the provisions of Section 1192.1 of the Code of Civil Procedure, and acts amendatory thereof, or to their assigns; and the said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the Work to be performed thereunder or the Drawings and 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 the Drawings and Specifications. This bond is further conditioned upon and guarantees due compliance with all of the applicable provisions of the municipal and/or county codes in the city and county where the work is performed.

Turner Construction Company

William R. Michell
William R. Michell
Vice President, Financial Manager

Contractor

SEE ATTACHMENT A

Surety

M. & L. Bond
Form 82.32 Rev. 3-57

(THIS DOCUMENT CANNOT BE ALTERED, MODIFIED, OR CHANGED)
END OF DOCUMENT

B-PERMIT CORRECTIONS
MACLAY PC (47G05202), NOBLE ES #1 (47B06002)
MONROE ES #2 (55L98017), NORTH HOLLYWOOD ES #3 (55.98015)
CONTRACT NO. 0810147S, (SOLE SOURCE)

REVISED 06/30/2006
PAYMENT BOND (OFF-SITE IMPROVEMENT)
00610-1

DOCUMENT 00615

Travelers Bond No. 105043096
Federal Bond No. 8213-95-33
F&D/Zurich Bond No. 08838662
INSCOPA Bond No. 916204

Premium\$ 628.00

**FAITHFUL PERFORMANCE BOND
(OFF-SITE IMPROVEMENT)**

KNOW ALL MEN BY THESE PRESENTS, That we Turner Construction Company
1900 South State College Blvd., Suite 200, Anaheim, CA 92806

The CONTRACTOR in the Contract hereto annexed, as principal, and SEE ATTACHMENT A
are held and firmly bound unto the _____ as Surety,

LOS ANGELES UNIFIED SCHOOL DISTRICT,
acting by and through its BOARD OF EDUCATION
AND
CITY OF LOS ANGELES, A MUNICIPAL CORPORATION
AS CO-OBLIGEE,

hereinafter called the OWNER, in the sum of Sixty One Thousand Thirty Five and 00/100 Dollars (\$61,035.00)

as may be adjusted under paragraph numbered 7 below ("Penal Sum"), for the full and faithful performance of the Contract, subject, however, to the following:

1. The condition of this obligation is that if the CONTRACTOR shall in a workmanlike manner promptly, competently, and faithfully perform the Work of LAUSD B-Permit Corrections - Sole Source Agreement No. * and all of the terms, conditions and provisions of the Contract, in strict conformity therewith, then this Bond shall be null and void; otherwise, this Bond shall remain in full force and effect. *0810147S Issued 2/11/08.

2. In the event CONTRACTOR breaches the Contract and OWNER exercises its right to terminate CONTRACTOR's right to proceed with the Work, and subject to the terms of the Contract, OWNER shall notify CONTRACTOR and SURETY in writing, and SURETY shall promptly:

a. Arrange for CONTRACTOR, with consent of OWNER which OWNER may withhold in its sole discretion, to perform and complete the Contract; or

b. Undertake to perform and complete the Contract itself, through its agents or through independent contractors, provided that OWNER either has prequalified such person or has no reasoned objection to such person performing the Work; or

c. Obtain bids or negotiated proposals from qualified contractors acceptable to and prequalified by OWNER for a contract for performance and completion of the Contract, arrange for a contract to be prepared for execution by the OWNER and the contractor selected with OWNER's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Contract, and pay to OWNER any excess of the amount of the completion contract over the remaining balance of the Contract Amount; or

d. Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances, and no later than thirty (30) days of SURETY's receipt of notice of termination from OWNER, or such longer period to which OWNER may agree:

(i) subject to a full reservation of all rights of OWNER, CONTRACTOR and SURETY, deny liability in whole or in part and notify OWNER in writing of the reasons and bases therefore; or

(ii) determine the amount for which SURETY may be liable to OWNER, and thereafter promptly tender payment thereof to OWNER.

During the period in which SURETY determines which of its options to pursue under this paragraph 2, OWNER may take such actions it determines are appropriate to perform the Work and/or protect the Project, and OWNER's costs and expenses of such efforts may be charged against the contract balance.

3. In addition to any costs incurred in meeting its obligations pursuant to paragraph 2 above, SURETY shall pay

B-PERMIT CORRECTIONS
MACLAY PC (47G05202), NOBLE ES #1 (47B06002)
MONROE ES #2 (55L98017), NORTH HOLLYWOOD (55.98015)
CONTRACT NO. 0810147S (SOLE SOURCE)

REVISED 03/20/2007
FAITHFUL PERFORMANCE BOND
(OFF-SITE IMPROVEMENT)
00615-1

OWNER any amounts due to Owner or for which Owner has become obligated in connection with the Contract arising from CONTRACTOR's failure to perform in accordance with the Contract, including any liquidated damages or other delay damages recoverable under the Contract; provided, however, that the aggregate liability of SURETY under this Bond, including under paragraph 2 and this paragraph 3, shall not exceed the amount of the Penal Sum as adjusted as provided in paragraph 7.

4. CONTRACTOR and SURETY agree that for purposes of exercising its rights under this Bond after Substantial Completion, OWNER may terminate CONTRACTOR's right to proceed, and call on SURETY to perform pursuant to this Bond, for CONTRACTOR's failure to perform Punch List work, warranty work or other items of work, which might not otherwise constitute a breach justifying termination of the Contract.

5. OWNER and SURETY shall cooperate with each other to assure prompt completion of the Contract, and, if SURETY exercises its option to proceed under subparagraphs 2a, 2b or 2c, Owner shall perform its obligations under the Contract with respect to any such completion contractor, including payment for work satisfactorily completed, in accordance with applicable law and the terms of the Contract except to the extent the Contract is modified by the OWNER and SURETY.

6. SURETY hereby stipulates and agrees that no adjustment to the Contract Amount or Contract Time, nor any other alteration, addition and/or deletion to the terms of the Contract, or to the Work to be performed thereunder, shall in any way affect its obligations under this Bond, and SURETY waives notice of any such change, adjustment, alteration, addition or deletion to the terms of the Contract Documents.

7. The Penal Sum of this Bond shall automatically increase as the Contract Amount increases; provided, however, the initial Penal Sum shall not increase more than fifteen percent (15%) absent written consent from the SURETY. SURETY's refusal to consent to such an increase in the Penal Sum shall not be a breach of this Bond.

8. SURETY shall be held and firmly bound by this Bond for any breach of CONTRACTOR's obligations, including any warranty of the Work, occurring within two (2) years of Substantial Completion of the entire Work. Any action on this Bond shall be commenced within three (3) years of the date of Substantial Completion.

9. OWNER may name SURETY and demand that SURETY participate in any arbitration authorized by the Contract, or SURETY may elect to intervene in any such arbitration as provided by law, in which case SURETY shall be bound by the arbitration award. If OWNER does not name SURETY or demand SURETY's participation in any arbitration, and SURETY does not elect to intervene, SURETY will not be bound by the arbitration award except to the extent the arbitration award determines CONTRACTOR'S obligations under the Contract and that determination is binding on SURETY under applicable law.

10. In case any suit, arbitration or other action is brought upon this Bond; reasonable attorneys' fees shall be awarded to the prevailing party, only the amount thereof being within the Court's or arbitrator's discretion.

11. This bond is further conditioned upon and guarantees due compliance with all of the applicable provisions of the municipal and/or county codes in the city and county where the work is performed.

12. Where they are used herein, the following terms that are specially defined in the Contract shall have the same meaning ascribed to them in the Contract: OWNER, CONTRACTOR, Contract, Work, Contract Documents, Contract Amount, Contract Time, Day, Punch List, and Substantial Completion.

Signed and sealed this 22nd day of February 20 08

CONTRACTOR/PRINCIPAL

By William R. Michell Title Vice President, Financial Manager
TURNER CONSTRUCTION COMPANY
William R. Michell Vice President, Financial Manager

Surety Name	SEE ATTACHMENT A
Address of Surety	SEE ATTACHMENT A
Telephone Number	SEE ATTACHMENT A
Bond Number	SEE ATTACHMENT A

By	SEE ATTACHMENT A
Attorney-in-Fact:	
Address	Turner Surety and Insurance Brokerage, Inc.
	50 Tice Boulevard, Woodcliff Lake, NJ 07677
Telephone Number	201-722-3932

(THIS DOCUMENT CANNOT BE ALTERED, MODIFIED, OR CHANGED)
END OF DOCUMENT

B-PERMIT CORRECTIONS
MACLAY PC (47G05202), NOBLE ES #1 (47B06002)
MONROE ES #2 (55L98017), NORTH HOLLYWOOD (55.98015)
CONTRACT NO. 0810147S (SOLE SOURCE)

REVISED 03/20/2007
FAITHFUL PERFORMANCE BOND
(OFF-SITE IMPROVEMENT)
00615-2

Los Angeles Unified School District

Facilities Services Division Facilities Construction Contracts

DAVID L. BREWER, III
Superintendent of Schools

JOSEPH A. MEHULA
Chief Facilities Executive
Facilities Services Division

TERRY DILLON
Director
Facilities Contracts

February 12, 2008

REVISED

TURNER CONSTRUCTION COMPANY, INC.
1900 South State College Boulevard
Anaheim, CA 92806

FAXED:
Fax No. (714) 712-4415

NOTICE OF INTENT TO AWARD – SOLE SOURCE CONTRACT

Contract No 0810147S
Project: MACLAY PRIMARY CENTER (PROJ #47G05202)
 NOBLE ELEMENTARY SCHOOL #1 (PROJ #47B06002)
 MONROE ELEMENTARY SCHOOL #2 (PROJ #55I98017)
 NORTH HOLLYWOOD ELEMENTARY SCHOOL #3 (PROJ #55I98015)
Project Description: B-PERMIT CORRECTIONS
Contract Amount: \$61,035.00

The REVISED contract documents (copy of the Sole Source Agreement) will be ready for you to pick-up at the Facilities Construction Contracts Unit, 1545 Wilshire Boulevard, Suite 100, Los Angeles, CA 90017-4510, on February 12, 2008. **YOU MUST PICK THEM UP PROMPTLY.**

Within **seven (7)** business days of the above pick-up date, by **February 22, 2008**, you shall furnish to the FACILITIES CONSTRUCTION CONTRACTS UNIT, the documents indicated below.

- X 1. Signed Sole Source Agreement
- X 2. Bonds – Executed by contractor, and by Attorney-in-Fact for surety. The bonds with acknowledgement attached must be executed by a surety who is an admitted insurer authorized to transact surety insurance in the State of California. It is NOT necessary for the contractor or surety to obtain the Los Angeles County Clerk's Office certification prior to returning the bond to FACILITIES CONTRACTS ADMINISTRATION UNIT.

PLEASE EXECUTE AND RETURN ALL DOCUMENTS RECEIVED.

3. Original Certificate of Insurance (Document 00620), as indicated below, executed by an authorized representative of insurer:
- X Workers' Compensation
- X Comprehensive General Liability
- X Automobile Liability (Owned, hired, and non-owned)
- _____ The Facilities Contracts Administration already has the required insurance certificates on file
- _____ 4. Confirmation of Enrollment in the Owner Controlled Insurance Program (OCIP).

February 12, 2008

X 5. I certify under penalty of perjury under the laws of the State of California that my firm and all Sub-contractors employed by my firm are in compliance with all requirements as set forth in the bidding and contract documents for this project. I further certify that my firm's safety prequalification status remains unchanged and eligible for award of this contract.

Executed on Feb. 25, 2008, at Anaheim, California
Date City


Signature of Authorized Representative

RORT DE JUAN
Print Name

SR. V.P.
Title

2-15-08
Date

If you should have any questions regarding this notice, please contact your Owner Authorized Representative (OAR), Steven Ross at (213) 253-8791 or our office at (213) 207-2318.

Please sign and return this notice to CHRISTY GUZMAN at Facilities Construction Contracts.
Name

Sincerely,


CHRISTY GUZMAN
Contract Administration Analyst

CG/mg

c: T. Dillon
J. Doyle
B. Raslan
Y. Merriman-Garrett
E. Byrd
S. Ross
F. Mesa, AON

Bid No. 0810147S
/S