

# APPROVED

APR 06 2023

## BOARD OF RECREATION AND PARK COMMISSIONERS

**BOARD REPORT**

**NO.** 23-065

**DATE** April 06, 2023

**C.D.** 11

### BOARD OF RECREATION AND PARK COMMISSIONERS

**SUBJECT:** GEORGE WOLFBERG PARK AT POTRERO CANYON – LANDSCAPING (W.O. #E1908635) PROJECT – ACCEPTANCE OF STOP PAYMENT NOTICE AND ACCEPTANCE OF BOND FOR RELEASE OF STOP NOTICE ON CONSTRUCTION CONTRACT NO. 3799 FOR FORD E.C., INC.

|            |       |                             |           |
|------------|-------|-----------------------------|-----------|
| B. Aguirre | _____ | M. Rudnick                  | _____     |
|            |       | <i>for</i> C. Santo Domingo | <u>DF</u> |
| B. Jackson | _____ | N. Williams                 | _____     |

  
 \_\_\_\_\_  
 General Manager

Approved   X                        Disapproved \_\_\_\_\_                      Withdrawn \_\_\_\_\_

### RECOMMENDATIONS

1. Direct staff to withhold the amount claimed in the Stop Payment Notice against Ford E.C., Inc., as detailed in this Report and which is attached as Attachment 1 to 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 Bond for Release of Stop Notice, filed by Ford E.C., Inc., general contractor for the Potrero Canyon Park Landscaping (W.O. #E1908635) Project, which is attached hereto as Attachment 2 to this Report, and release withheld amounts in accordance thereto; and,
3. Direct the Board of Recreation and Park Commissioners (Board) Secretary to notify the contractor, surety, and other appropriate parties that the Bond for Release of Stop Notice accepted.

### 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 (Attachment 1):

|                                 |         |                 |  |
|---------------------------------|---------|-----------------|--|
| <u>Contract 3799</u>            | CD 11   |                 |  |
| Potrero Canyon Park Landscaping | General | Ford E.C., Inc. |  |

BOARD REPORT

PG. 2 NO. 23-065

(W.O. #E1908635) Project

Contractor:  
Claimant: Ferreira Construction Co. Inc.  
Amount: \$1,096,679.87

BOND FOR RELEASE OF STOP NOTICE

On February 3, 2023, the Department of Recreation and Parks (RAP) received the following Bond for Release of Stop Notice (Attachment 2) from Ford E.C., Inc. (Bond), which will pay amounts recovered by the Claimant under the claim specified in Claimant’s Stop Payment Notice:

:

Contract 3799            CD 11

Potrero Canyon Park Landscaping  
(W.O. #E1908635) Project

General                    Ford E.C., Inc.  
Contractor:  
Claimant: Ferreira Construction Co. Inc.  
Amount: \$1,370,850.00

The Bond was filed in accordance with California Civil Code Section 9364, which states, in part, the following: “(a) A public entity may, in its discretion, permit the direct contractor to give the public entity a release bond. The bond shall be executed by an admitted surety insurer, in an amount equal to 125 percent of the claim stated in the stop payment notice, conditioned for the payment of any amount the claimant recovers in an action on the claim, together with court costs if the claimant prevails. (b) On receipt of a release bond, the public entity shall not withhold funds from the direct contractor pursuant to the stop payment notice.”

FISCAL IMPACT

Acceptance of the Stop Payment Notice and the Bond for Release of Stop Notice has no impact on the RAP’s General Fund, as monies were previously appropriated for this project.

This Report was prepared by Takisha Sardin, Commission Executive Assistant II, Board Office

LIST OF ATTACHMENT(S)

- 1. Stop Payment Notice
- 2. Bond for Release of Stop Notice- Ford E.C., Inc.



**STOP PAYMENT NOTICE – PUBLIC WORKS**  
(CA CIVIL CODE § 9350, et seq.)

**TO: PUBLIC ENTITY**

Name: City of Los Angeles Board of Recreation & Park Commissioners  
Address: 221 N. Figueroa St. Suite 300  
Los Angeles, CA 90012  
Project# E1908635

To Bond Company:  
Zurich Surety, Credit & Political Risk  
777 S. Figueroa St, Suite 380  
Los Angeles, CA 90017 Bond# 7666014

**YOU ARE HEREBY NOTIFIED THAT** (Claimant): Ferreira Construction Co. Inc. dba Ferreira Coastal Construction Co. Job 5407  
Whose Address is: 10370 Commerce Center Drive, Suite B-200, Rancho Cucamonga, CA 91730

**HAS FURNISHED WORK, LABOR, SERVICES, EQUIPMENT OR MATERIAL DESCRIBED AS:**  
Labor, Equipment and Material for Installation of Chain Link Fence

**FOR THE BUILDING, STRUCTURE OR OTHER WORK OF IMPROVEMENT LOCATED AT, OR OTHERWISE DESCRIBED AS:**  
Address: Potrero Canyon Park-Landscaping 15101, 15125 & 15145 Pacific Coast Hwy, Pacific Palisades, CA 90272  
or Description: County of Los Angeles, Project# E1908635

**TO THE FOLLOWING PERSON OR ENTITY:**

Name: Ford EC Inc.  
Address: 10850 Wilshire Blvd, #380, Los Angeles, CA 90024

**THE NAME AND ADDRESS OF THE DIRECT CONTRACTOR IS:**

Name: Ford EC Inc.  
Address: 10850 Wilshire Blvd, #380, Los Angeles, CA 90024

The value of the whole amount of work, labor, services, equipment and/or materials to be provided is: \$ 1,628,412.85

The value of work, labor, services, equipment or material provided to date is: \$ 1,628,412.85

Claimant has been paid the sum of \$ 531,732.98 and there remains unpaid after deducting all just credits and offsets the sum of \$ 1,096,679.87 together with interest at the rate of 10% per annum, from December, 2022.

**REQUEST FOR NOTICE:** Since payment of \$10.00 has been made concurrent herewith, pursuant to CC § 9362, no later than ten (10) days after completion of the public works contract, whether by cessation or acceptance, and no later than ten (10) days after recordation of notice of cessation or notice of completion, you are to provide notice of the time within which an action to enforce payment of the claim stated in this Stop Payment Notice must be commenced.

Date: 11/25/23 *[Signature]*

By: Brandon Pensick  
(Signature of Claimant or Authorized Agent)

**VERIFICATION**  
I, Brandon Pensick  
state: I am the Vice President (Owner, President, Authorized Agent, Partner, etc.) of the Claimant named in the foregoing STOP PAYMENT NOTICE. I have read said STOP PAYMENT NOTICE and know the contents thereof and the same is true of my own knowledge. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.  
Executed on 11/25, 2023  
at 10370 Commerce Center Dr, Suite B-200  
(City), Rancho, California.  
Cucamonga  
*[Signature]*  
(Signature of Claimant or Authorized Agent)

**PROOF OF SERVICE DECLARATION (CA Civil Code §§ 8118 and 9354)**  
I, \_\_\_\_\_, declare that on \_\_\_\_\_, 20\_\_\_\_, I served a true and correct copy of this STOP PAYMENT NOTICE – PUBLIC WORKS (“NOTICE”) on the Public Entity noted above, via First Class prepaid postage, by return receipt of certified or registered mail at the address(es) stated above;  
AND/OR  
I, \_\_\_\_\_, declare that I personally delivered a true and correct copy of this NOTICE to the following person at the address stated above, by leaving this NOTICE with the following person in charge on the date and time noted:  
Public Entity: \_\_\_\_\_  
On \_\_\_\_\_ at \_\_\_\_\_ a.m/p.m  
I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.  
Executed on \_\_\_\_\_, 20\_\_ at \_\_\_\_\_  
\_\_\_\_\_  
(City), California.  
\_\_\_\_\_  
(Signature of Claimant or Authorized Agent)

CALIFORNIA 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 02/02/2023 before me, Jacob D. Lazaruk, Notary Public

Date Here Insert Name and Title of the Officer personally appeared Arash Daghigian 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 and/or Stamp Above

Signature Signature of Notary Public

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: Bond for Release of Stop Notice

Document Date: Number of Pages:

Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer's Name: Signer's Name:

Corporate Officer - Title(s): Corporate Officer - Title(s):

Partner - Limited General Partner - Limited General

Individual Attorney in Fact Individual Attorney in Fact

Trustee Guardian or Conservator Trustee Guardian or Conservator

Other: Other:

Signer is Representing: Signer is Representing:

**ZURICH AMERICAN INSURANCE COMPANY  
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY  
FIDELITY AND DEPOSIT COMPANY OF MARYLAND  
POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS: That the ZURICH AMERICAN INSURANCE COMPANY, a corporation of the State of New York, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, a corporation of the State of Illinois, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND a corporation of the State of Illinois (herein collectively called the "Companies"), by **Robert D. Murray, Vice President**, in pursuance of authority granted by Article V, Section 8, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute, and appoint Daniel HUCKABAY, Frank MORONES, Dwight REILLY, Arturo AYALA, Shaunna ROZELLE OSTROM, Benjamin WOLFE, Chelsea LIBERATORE, Ben STONG, Michael D. STONG, R. NAPPI, Adrian LANGRELL of Orange, California, its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: **any and all bonds and undertakings**, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the ZURICH AMERICAN INSURANCE COMPANY at its office in New York, New York., the regularly elected officers of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at its office in Owings Mills, Maryland., and the regularly elected officers of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at its office in Owings Mills, Maryland., in their own proper persons.

The said Vice President does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article V, Section 8, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President has hereunto subscribed his/her names and affixed the Corporate Seals of the said ZURICH AMERICAN INSURANCE COMPANY, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 10th day of November, A.D. 2022.



**ATTEST:**  
ZURICH AMERICAN INSURANCE COMPANY  
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY  
FIDELITY AND DEPOSIT COMPANY OF MARYLAND

By: *Robert D. Murray*  
Vice President

By: *Dawn E. Brown*  
Secretary

State of Maryland  
County of Baltimore

On this 10th day of November, A.D. 2022, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, **Robert D. Murray, Vice President and Dawn E. Brown, Secretary** of the Companies, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and acknowledged the execution of same, and being by me duly sworn, depose and saith, that he/she is the said officer of the Company aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and that the said Corporate Seals and the signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



Constance A. Dunn, Notary Public  
My Commission Expires: July 9, 2023

## ACKNOWLEDGMENT

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

State of California  
County of Riverside

On January 31, 2023 before me, Michael D. Stong "Notary Public"  
(insert name and title of the officer)

personally appeared R. Nappi,  
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.

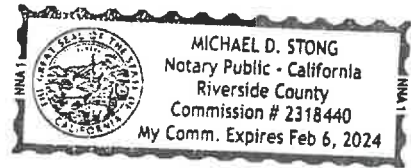
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)



BOND NO. 7669714  
Premium \$12,338.00

**BOND FOR RELEASE OF STOP NOTICE**  
**CALIFORNIA**

KNOW ALL BY THESE PRESENTS:

That we, Ford E. C. Inc. as Principal(s), and  
Zurich American INSURANCE COMPANY, a New York  
corporation authorized to transact surety business in the State of California, as Surety, are held and firmly bound unto  
City of Los Angeles, as Obligor, in the penal sum of  
One Million Three Hundred Seventy Thousand Eight Hundred Fifty and 00/100 Dollars  
(\$ 1,370,850.00) DOLLARS, lawful money of the United States of America, for the payment of which,  
well and truly to be made, we bind ourselves, our heirs, legal representatives, successors and assigns, jointly and severally, firmly  
by these presents.

WHEREAS, Principal entered into a written contract to furnish labor and/or materials or both to City of Los Angeles  
in connection with the construction of certain improvements located at Potrero Canyon Park  
Landscaping 15101, 15125 & 15145 Pacific Coast HWY, Pacific Palisades, CA 90272 County of Los Angeles, and,

WHEREAS, a certain Stop Notice dated January 25, 2023 has been filed against certain funds which  
are due said Principal in connection with said contract in the amount of  
One Million Ninety-Six Thousand Six Hundred Seventy-Nine and 87/100 Dollars  
(\$ 1,096,679.87) DOLLARS, by  
Ferreira Construction Co., Inc., dba Ferreira Coastal Construction Co., and,

WHEREAS, Principal disputes the correctness or validity of said Stop Notice and desires that the funds now due Principal under  
the provisions of said contract shall be delivered to Principal notwithstanding said Stop Notice, and,

WHEREAS, Section  3171 /  3196 of the California Civil Code requires that a bond in a penal sum equal to one and one  
quarter (1 1/4) times the amount of such Stop Notice be filed to secure the release of said funds.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the Principal shall fully protect the Obligor  
against any loss by reason of or arising out of the acceptance of this bond, or the release of said monies, or the payment thereof  
to Principal, and shall pay any sum which said Stop Notice Claimant may recover on the verified claim, together with the cost of  
suit in the action, not exceeding the penal sum of this bond, then this obligation shall be void, otherwise to remain in full force  
and effect.

SIGNED AND SEALED this 31st day of January, 2023.

Ford E. C. Inc.

By [Signature] Principal

Zurich American INSURANCE COMPANY

By R. Nappi  
R. Nappi, Attorney-In-Fact

**CALIFORNIA ACKNOWLEDGMENT**

CIVIL CODE § 1189

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State of California

County of Los Angeles }

On 02/02/2023 before me, Jacob D. Lazaruk, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Arash Daghigian  
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 and/or Stamp Above

**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: Bond for Release of Stop Notice  
Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_  
Signer(s) Other Than Named Above: \_\_\_\_\_

Capacity(ies) Claimed by Signer(s)  
Signer's Name: \_\_\_\_\_ Signer's Name: \_\_\_\_\_  
 Corporate Officer – Title(s): \_\_\_\_\_  
 Partner –  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer is Representing: \_\_\_\_\_ Signer Is Representing: \_\_\_\_\_



**ZURICH AMERICAN INSURANCE COMPANY  
 COLONIAL AMERICAN CASUALTY AND SURETY COMPANY  
 FIDELITY AND DEPOSIT COMPANY OF MARYLAND  
 POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS: That the ZURICH AMERICAN INSURANCE COMPANY, a corporation of the State of New York, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, a corporation of the State of Illinois, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND a corporation of the State of Illinois (herein collectively called the "Companies"), by **Robert D. Murray, Vice President**, in pursuance of authority granted by Article V, Section 8, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute, and appoint Daniel HUCKABAY, Frank MORONES, Dwight REILLY, Arturo AYALA, Shaunna ROZELLE OSTROM, Benjamin WOLFE, Chelsea LIBERATORE, Ben STONG, Michael D. STONG, R. NAPPI, Adrian LANGRELL of Orange, California, its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: **any and all bonds and undertakings**, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the ZURICH AMERICAN INSURANCE COMPANY at its office in New York, New York., the regularly elected officers of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at its office in Owings Mills, Maryland., and the regularly elected officers of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at its office in Owings Mills, Maryland., in their own proper persons.

The said Vice President does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article V, Section 8, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President has hereunto subscribed his/her names and affixed the Corporate Seals of the said ZURICH AMERICAN INSURANCE COMPANY, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 10th day of November, A.D. 2022.



**ATTEST:**  
 ZURICH AMERICAN INSURANCE COMPANY  
 COLONIAL AMERICAN CASUALTY AND SURETY COMPANY  
 FIDELITY AND DEPOSIT COMPANY OF MARYLAND

By: *Robert D. Murray*  
 Vice President

By: *Dawn E. Brown*  
 Secretary

**State of Maryland  
 County of Baltimore**

On this 10th day of November, A.D. 2022, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, **Robert D. Murray, Vice President and Dawn E. Brown, Secretary** of the Companies, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and acknowledged the execution of same, and being by me duly sworn, depose and saith, that he/she is the said officer of the Company aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and that the said Corporate Seals and the signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



*Constance A. Dunn*

Constance A. Dunn, Notary Public  
 My Commission Expires: July 9, 2023

# ACKNOWLEDGMENT

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State of California  
County of Riverside )

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(insert name and title of the officer)

personally appeared R. Nappi,  
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



(Seal)

