



A Financial Services Company

Escrow Agreement for Deposits in Lieu of Retention

This Escrow Agreement dated 10/05/2021 is made and entered into by and between the City of Redondo Beach hereinafter called "Owner" whose address is 415 Diamond Street, Redondo Beach, CA 90277 and All American Asphalt hereinafter called "Contractor" whose address is PO Box 2229, Corona CA 92878 and Citizens Business Bank hereinafter called "Escrow Agent" whose address is 505 E Colorado Blvd., Pasadena CA 91101.

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

1. Pursuant to section 22300 or 10263 of the Public Contract Code of the State of California (with section 22300 applying to public entities generally, and 10263 applying to state public agencies), 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 the Owner and Contractor for, Inglewood Avenue at Manhattan Beach Boulevard Intersection Improvements (Southbound Right Turn Lane), Job No. 40960 in the amount of \$934,948.00, (hereinafter referred to as the "Contract").

Alternatively, on written request of the Contractor, the Owner shall make payments of the retention earnings directly to Escrow Agent. When Contractor deposits the securities as a substitution for Contract earnings, Escrow Agent shall notify the Owner within ten (10) calendar days of 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 the Owner and Contractor. Securities shall be held in the name of Owner and shall designate the Contractor as beneficial owner.

2. The Owner shall make progress payments to the Contractor for such funds which otherwise would be withheld from progress payments pursuant to the Contract provisions, provided that Escrow Agent holds securities in the form and amount specified above.
3. When the Owner makes payments of retention earned directly to Escrow Agent, Escrow Agent shall hold them for the benefit of the Contractor until such time as the escrow created under this contract is terminated. The 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 the Owner pays Escrow Agent directly.
4. Contractor shall be responsible for paying all fees for the expenses incurred by Escrow Agent in administrating the Escrow Account and all expenses of the Owner. These expenses and payment terms shall be determined by the Owner, Contractor and Escrow Agent.
5. The interest earned on the securities or Money Market account(s) held in escrow and all interest earned on that interest shall be for the sole account of the Contractor and shall be subject to withdrawal by Contractor at any time and from time to time without notices to the 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 the Owner to Escrow Agent that owner consents to the withdrawal of the amount sought to be withdrawn by Contractor.
7. The Owner shall have a right to draw upon the securities in the event of default by the Contractor. Upon seven (7) days written notice to Escrow Agent from the Owner of the default, Escrow Agent shall immediately convert the securities to cash and shall distribute the cash as instructed by the Owner.
8. Upon receipt of written notification from the Owner certifying that the Contract is final and complete, and that the 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 on the escrow account. The escrow shall be closed immediately upon disbursement of all monies and securities and payment of fees and charges.
9. Escrow Agent shall rely on the written notifications from the Owner and the Contractor pursuant to Sections (5) to (8) inclusive, of this agreement and the Owner and Contractor shall hold Escrow Agent harmless from Escrow Agent's release and disbursement of the securities and interest set forth above.

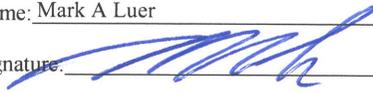
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10. The names of the persons who are authorized to give written notice or receive written notice on behalf of the Owner and on behalf of the Contractor in connection with the foregoing, and exemplars of their respective signatures are as follows:

On behalf of Owner:

Title: Mayor
Name: William C. Brand
Signature: _____
Address: 415 Diamond Street
City, State, Zip: Redondo Beach, CA 90277

On behalf of Contractor:

Title: President
Name: Mark A Luer
Signature: 
Address: 400 E Sixth Street
City, State, Zip: Corona CA 92879-1521

On behalf of Escrow Agent:

Title: VP SBG Operations Manager
Name: Claudia A Cuadra
Signature: 
Address: 505 E Colorado Blvd
City, State, Zip: Pasadena CA 91101

Please forward payments to Escrow Agent:

Title: VP SBG Operations Manager
Name: Claudia A Cuadra
Address: 505 E Colorado Blvd
City, State, Zip: Pasadena CA 91101
Direct Phone: 626-568-2096
Reference Account: 6741110677-Escrow #2719

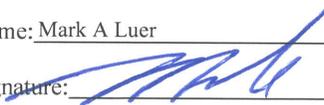
At the time Escrow Account is opened, the Owner and Contractor shall deliver to Escrow Agent a fully executed counterpart of this Agreement.

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

Owner

Title: Mayor
Name: William C. Brand
Signature: _____

Contractor

Title: President
Name: Mark A Luer
Signature: 

ATTEST:

Eleanor Manzano, City Clerk

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

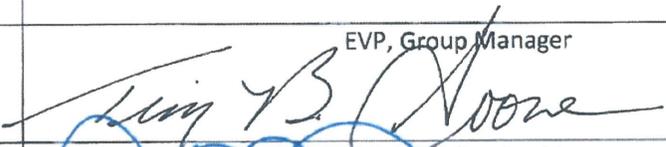


505 E Colorado Boulevard, Pasadena, CA 91101

Certification of Incumbency

I, Brian T. Mauntel, the undersigned President of Citizens Business Bank ("Bank"), hereby certifies herein that the following persons at Citizens Business Bank are authorized and designated to execute the Escrow Agreement for Deposit in Lieu of Retention on behalf of Citizens Business Bank ("Escrow Agreement"), by and between the City of Redondo Beach, as project owner, All American Asphalt, as contractor, and the Bank, as escrow agent ("Escrow Agent").

According to the Bank's procedures relating to Escrow Agreements, any Bank officer with a corporate title of Vice President, Senior Vice President, or Executive Vice President may execute the Escrow Agreement, on behalf of Citizens Business Bank, as the Escrow Agent.

| Name | Title |
|--------------------|--|
| Tim B. Noone | EVP, Group Manager  |
| Claudia A. Cuadra | VP, SBC Sales & Service Manager  |
| Tia L. Ballesteros | VP, Support Service Manager  |

IN WITNESS WHEREOF, The undersigned has executed and delivered this Certification as the 10th day of September, 2021.



Brian T. Mauntel, President / Citizens Business Bank