

**ROAD IMPROVEMENT AGREEMENT  
FOR SIERRA OAKS CONDOMINIUMS  
BETWEEN THE COUNTY AND THE DEVELOPER**

*AGMT #07-1418*

**THIS ROAD IMPROVEMENT AGREEMENT**, hereinafter called "Agreement" made and entered into by and between the **COUNTY OF EL DORADO**, a political subdivision of the State of California (hereinafter referred to as "County") and **LA CRESCENTA ASSOCIATES, LLC**, a Limited Liability Company duly qualified to conduct business in the State of California, whose principal place of business is 4220 Rocklin Road, #7, Rocklin, California 95677 (hereinafter referred to as "Developer") concerning the road and drainage improvements for the **Sierra Oaks Condominiums** (hereinafter referred to as "Project") in accordance with the improvement plans entitled **Improvement Plans for Sierra Oaks** and cost estimates prepared by Cooper Thorne & Associates, Inc., Aaron Brusatori, Registered Civil Engineer, and approved by Chuck S. Pazzi, Supervising Civil Engineer, for James W. Ware, Deputy Director (hereinafter referred to as "County Engineer"), El Dorado County Department of Transportation (hereinafter referred to as "Department").

**RECITALS**

**WHEREAS**, Developer has prepared improvement plans and cost estimates for the construction of the Project that have been approved by County Engineer; and

**WHEREAS**, it is the intent of the parties hereto that the performance of Developer's obligations shall be in conformance with the terms and conditions of this Agreement and shall be in conformity with all applicable state and local laws, rules and regulations;

**NOW, THEREFORE**, the parties hereto in consideration of the recitals, terms and conditions herein, do hereby agree as follows:

**SECTION 1. THE WORK**

Developer will, at its own cost and expense, in a workmanlike manner, faithfully and fully construct the road and drainage improvements for the Sierra Oaks Condominiums Project as required under the Conditions of Approval #TM 05-1394 for the Project and will perform the requirements of this Agreement in accordance with the plans, change orders, and itemized cost estimates approved by County Engineer and hereby made a part of this Agreement for all purposes as if fully incorporated herein. All construction work shall be in accordance with all applicable state and local rules, regulations, and ordinances including, but not limited to, applicable Public Contract Code sections, Labor Code requirements inclusive of prevailing wage, State licensing requirements and County policies. Developer's obligations herein are for the completion of the improvements and shall not be relieved by contracting for the improvements.

An itemized account of the estimated cost of said improvements is set forth in Exhibit A, marked "Schedule of Street Improvements;" Exhibit B, marked "Schedule of Parking Area Improvements;" and Exhibit C, marked "Schedule of Storm Drainage Improvements;" all of which Exhibits are attached hereto and incorporated by reference herein.

County will require Developer to make such alterations, deviations, additions to or deletions from the improvements shown and described on the plans, specifications, and cost estimates as may be reasonably deemed by the County Engineer to be necessary or advisable for the proper completion or construction of the whole work contemplated. Developer shall be responsible for all design and engineering services of the Project, at the location and as generally depicted in the plans, specifications and contract documents ultimately approved by the County. The design shall be prepared in accordance with all applicable laws, statutes, orders, map conditions, and with County standards for the Project. Upon completion of the work, Developer shall provide proof of adequate professional liability insurance of the engineer running this to Project, and in favor of the County. Developer shall further provide for the complete assignment of ownership of all plans and specifications to the benefit of the County.

**SECTION 2.           TRAFFIC CONTROL**

A Traffic Control Plan that meets County Standards shall be prepared by a Registered Civil Engineer and submitted to the Department for review and approval prior to the start of work on the Project.

The Traffic Control Plan shall address access to adjacent properties and the safe and convenient passage of public traffic through the work area. Road closure will not be permitted, and two (2) lanes of traffic must be open at the end of each working day. The Traffic Control Plan shall include proposed flagging, signage, protective barriers and limits on excavation within four (4) feet of travel ways open to traffic. The Plan shall also include any proposed staging of the improvements.

**SECTION 3.           TIME**

Developer shall cause the commencement of items of work after approval of the plans for the Project by the Department (which plans were approved on May 30, 2007) and shall complete the Project no later than two (2) years from the date of approval of the plans, subject to extensions for delays not within the control of the Developer. Construction activities shall be between 7:00 a.m. and 5:00 p.m. Mondays through Fridays; and 8:00 a.m. and 5:00 p.m. on Saturdays. Construction activities shall be prohibited on Sundays and holidays.

**SECTION 4.           WARRANTY**

Developer warrants the materials and workmanship utilized on this Project for a period of one (1) year from the date of County's acceptance of the Project and shall make such replacements and repairs during such one (1) year period, at its sole cost and expense, as are necessary due to defects. County will retain a portion of the security posted in the amount of ten percent (10%) of the total value of work performed, in the form of a Performance Bond for one (1) year following acceptance of the work by County to secure the repair of any hidden defects in workmanship or materials which may appear.

**SECTION 5.           PERFORMANCE AND LABORERS AND MATERIALMENS BONDS**

Developer shall deliver to Department a Performance Bond issued by a surety company acceptable to County, naming County as obligee, in the sum of **Two Hundred Four Thousand Seven Hundred Eighty-Two and 75/100 dollars (\$204,782.75)** conditioned upon the faithful performance of

Developer's obligation for the full construction of the road improvements for the Sierra Oaks Condominiums as required under this Agreement on or before the completion date specified above, and in the form approved by County.

Developer shall deliver to Department a Laborers and Materialmens Bond issued by a surety company acceptable to County, naming County as obligee, in the sum of **Two Hundred Four Thousand Seven Hundred Eighty-Two and 75/100 dollars (\$204,782.75)**, conditioned upon the faithful performance of Developer's obligation for the full construction of the road improvements in the Sierra Oaks Condominiums as required under this Agreement on or before the completion date specified above, and in the form approved by County.

The Bonds required by this Section are a condition precedent to County entering into this Agreement. Developer shall ensure that the contractor awarded the work shall provide Payment and Performance Bonds that name County as an additional obligee and that include a one (1) year warranty provision in the Performance Bond against defects in materials and workmanship. The forms shall be County's approved forms and shall be included in bid specifications. After contract award, Developer shall submit for County's review and approval the executed bonds together with certificates of insurance from the contractor naming County as an additional named insured.

**SECTION 6. INDEMNIFICATION**

To the fullest extent allowed by law, Developer shall defend, indemnify and hold County harmless against and from any and all claims, suits, losses, damages, and liability for damages of every name, kind, and description, including attorneys' fees and costs incurred, brought for, or on account of, injuries to or death of any person including but not limited to workers, County employees, and the public, or damage to property, or any economic or consequential losses, which are claimed to or in any way arise out of or are connected with Developer's work, design, operation, construction of the improvements, or performance of this Agreement, regardless of the existence or degree of fault or negligence on the part of County, Developer, any Contractor(s), Subcontractor(s), and employee(s) of any of these, except for the sole or active negligence of County, its officers and employees, or as expressly provided by statute. This duty of Developer to indemnify and hold County harmless includes the duties to defend set forth in California Civil Code Section 2778.

This duty to indemnify is separate and apart from the insurance requirements herein and shall not be limited thereto.

**SECTION 7. ATTORNEY FEES**

Developer shall pay costs and reasonable attorney fees should County be required to commence an action to enforce the provisions of this Agreement or in enforcing the security obligations provided herein.

**SECTION 8. INSURANCE**

**GENERAL INSURANCE REQUIREMENTS:** Developer shall provide proof of a policy of insurance satisfactory to the El Dorado County Risk Management Division and documentation evidencing that Developer maintains insurance that meets the following requirements. In lieu of this requirement, Developer may have Contractor provide proof of a policy of insurance satisfactory to the County's Risk

Management Division and documentation evidencing that Contractor maintains said insurance so long as Contractor's insurance meets these same requirements and standards, and subject to Contractor assuming the same obligations as Developer as follows:

1. Full Workers' Compensation and Employers' Liability Insurance covering all employees performing work under this Agreement as required by law in the State of California.
2. Commercial General Liability (CGL) Insurance of not less than Two Million Dollars (\$2,000,000) combined single limit per occurrence for bodily injury and property damage, including but not limited to endorsements for the following coverages: premises, personal injury, operations, products and completed operations, blanket contractual and independent contractors liability. This insurance can consist of a minimum of \$1 million primary layer of CGL and the balance as an excess/umbrella layer, but only if County is provided with written confirmation that the excess/umbrella layer "follows the form" of the CGL policy.
3. Automobile Liability Insurance of not less than One Million Dollars (\$1,000,000) is required in the event motor vehicles are used by Developer in performance of the Agreement.
4. In the event Developer or its agent(s) are licensed professionals and are performing professional services under this contract, Professional Liability Insurance is required, with a limit of liability of not less than One Million Dollars (\$1,000,000).
5. Explosion, Collapse, and Underground (XCU) coverage is required when the scope of work includes XCU exposure.

**PROOF OF INSURANCE REQUIREMENTS:**

1. Developer shall furnish proof of coverage satisfactory to County's Risk Management Division as evidence that the insurance required herein is being maintained. The insurance will be issued by an insurance company acceptable to the Risk Management Division, or be provided through partial or total self-insurance likewise acceptable to the Risk Management Division.
2. The County of El Dorado, its officers, officials, employees, and volunteers shall be included as additional insured, but only insofar as the operations under this Agreement inclusive of the obligation to design and construct the Project are concerned. This provision shall apply to all general and excess liability insurance policies. Proof that County is named additional insured shall be made by providing the Risk Management Division with a certified copy, or other acceptable evidence, of an endorsement to the insurance policies naming County an additional insured.
3. In the event Developer cannot provide an occurrence policy, Developer shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.
4. Any deductibles or self-insured retentions must be declared to and approved by County. At the option of County, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, its officers, officials, employees, and volunteers; or Developer shall procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

## **INSURANCE NOTIFICATION REQUIREMENTS:**

1. The insurance required herein shall provide that no cancellation or material change in any policy shall become effective except upon thirty (30) days prior written notice to County at the office of the Department of Transportation, 2850 Fairlane Court, Placerville, CA 95667.

2. Developer agrees that the insurance required herein shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, Developer shall immediately provide a new certificate of insurance as evidence of the required insurance coverage. In the event Developer fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event. New certificates of insurance are subject to the approval of the Risk Management Division, and Developer agrees that no work or services shall be performed prior to the giving of such approval.

**ADDITIONAL STANDARDS:** Certificates shall meet such additional standards as may be determined by Department, either independently or in consultation with the Risk Management Division, as essential for protection of County.

**COMMENCEMENT OF PERFORMANCE:** Developer shall not commence performance of this Agreement unless and until compliance with each and every requirement of the insurance provisions is achieved.

**MATERIAL BREACH:** Failure of Developer to maintain the insurance required herein, or to comply with any of the requirements of the insurance provisions, shall constitute a material breach of the entire Agreement.

**REPORTING PROVISIONS:** Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to County, its officers, officials, employees, or volunteers.

**PRIMARY COVERAGE:** Developer's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of Developer's insurance and shall not contribute with it.

**PREMIUM PAYMENTS:** The insurance companies shall have no recourse against the County of El Dorado, its officers, agents, employees, or any of them for payment of any premiums or assessments under any policy issued by any insurance company.

**DEVELOPER'S OBLIGATIONS:** Developer's indemnity and other obligations shall not be limited by the insurance required herein and shall survive the expiration of this Agreement.

## **SECTION 9. RESPONSIBILITY OF ENGINEER**

Developer shall employ an engineer to administer the construction of the Project, which includes, but is not limited to, construction staking, preparing and approving change orders, and keeping abreast of the various construction activities. County's Department of Transportation shall be notified in advance of terminating the services of the engineer. Stakes or marks shall be set by the engineer in accordance with the requirements of the Department in order to complete the work as specified in this Agreement. Changes in the work shall be described by change orders,

drawings, and written descriptions, which shall be prepared by the engineer and approved by Department. Developer shall employ an individual or firm acceptable to Department to manage the construction of improvements contemplated herein. The individual or firm so employed shall act as Developer's representative to ensure full compliance with the terms and conditions set forth in the plans, specifications, all permits and any other agreements, notices or directives related to the Project and entered into or issued by other agencies, utilities or firms. The Department shall have full access to the engineer and the improvement plans to ensure that the Project is being constructed in accordance with the approved plans and County specifications. The cost associated with County's utilization of the engineer shall be a Project cost for which Developer is responsible in accordance with this Agreement.

#### **SECTION 10. ENCROACHMENT PERMIT**

No additional encroachment permit from County shall be required for the performance of the work. Contractor has permission to enter upon and perform the work within existing County rights-of-way, subject to issuance of a Notice to Proceed.

#### **SECTION 11. INSPECTION**

An authorized representative of County will perform construction inspection and material testing in accordance with the State of California, Department of Transportation, Standard Specifications. All testing shall be accomplished to the reasonable satisfaction of County.

#### **SECTION 12. RECORD DRAWINGS**

Developer shall have an engineer prepare Record Drawings describing the finished work. The Record Drawings shall be submitted to Department at the completion of the work.

#### **SECTION 13. FEES**

Developer shall pay all fees in accordance with Department's fee schedules, including but not limited to application, plan checking, construction oversight, inspection, administration and acceptance of the work by County.

#### **SECTION 14. PUBLIC UTILITIES**

Developer shall investigate and determine if existing public and private utilities conflict with the construction of the Project. Developer shall make all necessary arrangements with the owners of such utilities for their protection, relocation, or removal. Developer shall pay all costs of protection, relocation, or removal of utilities. In the event that the utility companies do not recognize this Project as a County project for which the utility companies bear one hundred percent (100%) of the cost of relocation, then, as between County and Developer, Developer shall pay all costs of protection, relocation or removal of utilities. Notwithstanding the aforementioned, nothing in this provision shall be construed to prevent Developer from making a claim to the owner of said utilities for reimbursement for relocation costs.

**SECTION 15. RIGHT-OF-WAY CLEARANCE**

Developer shall obtain fee title for right-of-way purposes for the Project and arrange to have ownership of such land granted to County by way of Grant Deeds or Irrevocable Offers of Dedication with definite and certain legal descriptions. Easements may be provided in lieu of fee title when acceptable to County. Said right-of-way and slope easements shall be sufficient to accommodate all cuts, fills, and appurtenances which are included in the Project and are, where applicable, to be accepted for maintenance by County.

A Record of Survey, the purpose of which is to show the right-of-way acquired and granted to County, shall be filed with the County Surveyor upon completion of the right-of-way acquisition. The Record of Survey shall show all new property lines and monuments for the tracts granted to County. Monuments will be of the type and placed in locations required by County in accordance with the Land Surveyors' Act.

Developer shall obtain agreements of entry from adjacent property owners for any work that will be performed outside County road right-of-way, such as grading existing driveways to conform with new road grades or to stage construction.

**SECTION 16. NO DEVELOPER REIMBURSEMENT**

The Parties agree and acknowledge that the Project costs associated with the improvements contemplated herein are not eligible for reimbursement under County's traffic impact fee programs and all costs shall be funded by Developer.

**SECTION 17. CONTRACT ADMINISTRATOR**

The County Officer or employee with responsibility for administering this Agreement is James W. Ware, Deputy Director, Transportation Planning and Land Development, Department of Transportation, or successor.

**SECTION 18. ACCEPTANCE**

Upon completion of the Project and upon receipt by County's Board of Supervisors of a certification from Department that all work has been completed and that the conditions of this Agreement have been fulfilled, the Board of Supervisors will accept the Project road improvements.

**SECTION 19. REIMBURSEMENT TO COUNTY**

County shall be entitled to costs and expenses incurred by County for construction oversight, inspection, right-of-way, administration and acceptance of the work performed pursuant to this Agreement.

**SECTION 20. THE PROJECT/ DEVELOPER STATUS**

Developer is constructing and completing the Project improvements as described herein and is acting as independent agent and not as an agent of County.

**SECTION 21. NOTICE TO PARTIES**

All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested. Notices to County shall be in duplicate and addressed as follows:

To County:

County of El Dorado  
Department of Transportation  
2850 Fairlane Court  
Placerville, CA 95667

Attn: James W. Ware,  
Deputy Director,  
Transportation Planning & Land Development

With a Copy to:

County of El Dorado  
Department of Transportation  
2850 Fairlane Court  
Placerville, CA 95667

Attn: Tim C. Prudhel,  
Contract Services Officer

or to such other location as County directs.

Notices to Developer shall be addressed as follows:

La Crescenta Associates, LLC  
4220 Rocklin Road, #7  
Rocklin, CA 95677


Attn: Warren Hughes,  
Vice President

or to such other location as Developer directs.

**SECTION 22. AUTHORIZED SIGNATURES**

The parties to this Agreement represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind upon said parties to the obligations set forth herein.

**Requesting Department Concurrence:**

By:   
Richard W. Shepard, P.E.  
Director of Transportation

Dated: 1/3/08



IN WITNESS WHEREOF, the parties have executed this Agreement on the dates indicated below, the latest of which shall be deemed to be the effective date of this Agreement.

**-- COUNTY OF EL DORADO --**

By: \_\_\_\_\_

Dated: \_\_\_\_\_

Board of Supervisors  
"County"

Attest:  
Cindy Keck,  
Clerk of the Board of Supervisors

By: \_\_\_\_\_

Dated: \_\_\_\_\_

Deputy Clerk

**-- LA CRESCENTA ASSOCIATES, LLC --  
a Limited Liability Company**

By: Gallelli & Sons, LLC  
a California Limited Liability Company,  
its Manager

By:  \_\_\_\_\_

Dated: Dec 7, 2007

Gary B. Gallelli, Sr.  
Member

By:  \_\_\_\_\_

Dated: Dec. 7, 2007

Gary B. Gallelli, Jr.  
Member

**ACKNOWLEDGMENT**

State of California

County of Placer

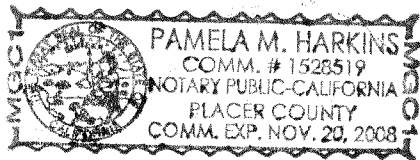
On Dec 7, 2007 before me, Pamela M. Harkins, Notary Public,  
(here insert name and title of the officer)

personally appeared Gary B Galletti, Sr. and  
Gary B. Galletti, Jr.

personally known to me (or 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.

WITNESS my hand and official seal.

Signature Pamela M. Harkins



(Seal)

**Exhibit A**

**SCHEDULE OF STREET IMPROVEMENTS**

Developer agrees to improve all streets and roads for dedication upon the final map of the **Sierra Oaks Condominiums** as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the County Engineer, and as set forth in the following Schedule of Street Improvements:

<b>Item Description</b>	<b>Quantity</b>	<b>Unit</b>	<b>Unit Cost</b>	<b>Total Cost</b>
Demo Existing AC	1,320	sf	\$2.00	\$2,640.00
Remove Existing Storm Drain Crossings	220	lf	5.00	1,100.00
Remove Rock Lined Ditch	90	cy	15.00	1,350.00
Paving	1,650	sf	6.10	10,065.00
Curb Gutter	1,125	sf	17.00	19,125.00
Sidewalk	2,025	sf	5.25	10,631.25
Relocate Fire Hydrant	1	ea	4,000.00	4,000.00
<b>Subtotal Street Improvements</b>				\$48,911.25
Project Administration		2%		978.23
Construction Staking		6%		2,934.68
Contingency		15%		7,336.69
Inspection		4%		1,956.45
<b>Total Street Improvements</b>				\$62,117.30

**Exhibit B**

**SCHEDULE OF PARKING AREA IMPROVEMENTS**

Developer agrees to improve all parking areas for the **Sierra Oaks Condominiums** as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the County Engineer, and as set forth in the following Schedule of Parking Area Improvements:

<b>Item Description</b>	<b>Quantity</b>	<b>Unit</b>	<b>Unit Cost</b>	<b>Total Cost</b>
Demo Existing Concrete	550	sf	\$2.50	\$1,375.00
Sidewalk	150	sf	6.10	915.00
HC Ramps	2	ea	1,200.00	2,400.00
Seal Parking Lots	46,150	sf	.30	13,845.00
Restripe Parking	2,610	lf	1.00	2,610.00
Keystone Walls	50	sf	60.00	3,000.00
Paving	3,300	sf	5.00	16,500.00
Miscellaneous Grading	1	ls	4,000.00	4,000.00
<b>Subtotal Parking Area Improvements</b>				\$44,645.00
Project Administration		2%		892.90
Construction Staking		6%		2,678.70
Contingency		15%		6,696.75
Inspection		4%		1,785.80
<b>Total Parking Area Improvements</b>				\$56,699.15

**Exhibit C**

**SCHEDULE OF STORM DRAIN IMPROVEMENTS**

Developer agrees to install the storm drain system for the **Sierra Oaks Condominiums** as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the County Engineer, and as set forth in the following Schedule of Storm Drain Improvements:

<b>Item Description</b>	<b>Quantity</b>	<b>Unit</b>	<b>Unit Cost</b>	<b>Total Cost</b>
18" Storm Drain	320	lf	\$55.00	\$17,600.00
24" Storm Drain	364	Lf	60.00	21,840.00
12" Storm Drain Laterals	65	Lf	50.00	3,250.00
OCP Inlet	3	ea	2,500.00	7,500.00
Type 'B' Drain Inlet	7	ea	2,500.00	17,500.00
<b>Subtotal Storm Drain Improvements</b>				\$67,690.00
Project Administration		2%		1,353.80
Construction Staking		6%		4,061.40
Contingency		15%		10,153.50
Inspection		4%		2,707.60
<b>Total Storm Drain Improvements</b>				\$85,966.30

**CERTIFICATION OF PARTIAL COMPLETION OF SUBDIVISION IMPROVEMENTS**

I hereby certify that the following improvements in the **Sierra Oaks Condominium, TM 05-1394**, Subdivision have been completed, to wit:

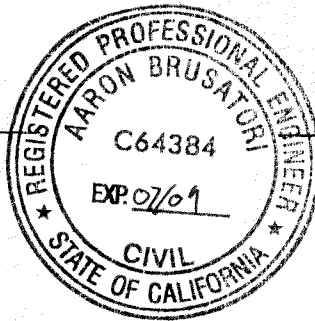
	<u>Total Amount</u>	<u>Percent Complete</u>	<u>Remaining Amount</u>
Street Improvements	\$62,117.30	0%	\$62,117.30
Parking Area Improvements	\$56,699.15	0%	\$56,699.15
Storm Drain Improvements	\$85,966.30	0%	\$85,966.30
<b>Totals</b>	<b>\$204,782.75</b>		<b>\$204,782.75</b>

I estimate the total cost of completing the remainder of the improvements, agreed to be performed by the Owner to be **Two Hundred Four Thousand Seven Hundred Eighty-Two Dollars and Seventy-Five cents (\$204,782.75)**.

The Performance Bond is for the amount of **Two Hundred Four Thousand Seven Hundred Eighty-Two Dollars and Seventy-Five cents (\$204,782.75)**.

The Laborers and Materialmens Bond is for the amount of **Two Hundred Four Thousand Seven Hundred Eighty-Two Dollars and Seventy-Five cents (\$204,782.75)**.

DATED: 12/20/07



*Aaron Brusatori*

Aaron Brusatori, P.E. 64384  
Cooper Thorne & Associates, Inc.  
3233 Monier Circle, Suite 1  
Rancho Cordova, Ca 95742

**ACCEPTED BY THE COUNTY OF EL DORADO**

DATED: 1/5/08

*Richard W. Shepard*

Richard W. Shepard, P.E.  
Director of Transportation