

**AGREEMENT TO MAKE SUBDIVISION IMPROVEMENTS**  
**FOR CLASS 1 SUBDIVISION**  
**BETWEEN COUNTY AND OWNER**

THIS 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 **CENTEX HOMES**, a Nevada general partnership duly qualified to conduct business in the State of California, whose principal place of business is 2275 Corporate Circle, Suite 230, Henderson, Nevada 89014, and whose local office address is 3700 Douglas Boulevard, Suite 150, Roseville, California 95661 (hereinafter referred to as "Owner"); concerning **PLANS FOR THE IMPROVEMENT OF WEST VALLEY UNIT 2** (hereinafter referred to as "Subdivision"); the Final Map of which was filed with the El Dorado County Board of Supervisors on the 6 day of March, 2006.<sup>7</sup>

**RECITALS**

Owner is vested with fee title to Subdivision; a tract of land located in the County of El Dorado, State of California, and described as **West Valley Unit 2, TM 99-1359-2**. Owner desires to construct on said property certain public improvements as hereinafter described, in connection with the Subdivision.

In consideration for the complete construction and dedication of all the public improvements specified in this Agreement, the approval and acceptance by County's Board of Supervisors, and the Final Map to be filed and recorded, the parties agree as follows:

**AGREEMENT**

**OWNER WILL:**

1. Make or cause to be made all those public improvements in Subdivision required by Section 16.16.010 of the El Dorado County Ordinance Code (hereinafter referred to as "Code") and shown or described in the improvement plans, specifications and cost estimates entitled **Plans for the Improvement of West Valley Unit 2** which were approved by the County Engineer, Department of Transportation, on March 28, 2006. Attached hereto are Exhibit A, marked "Schedule of Street Improvements;" Exhibit B, marked "Schedule of Storm Drainage Improvements;" Exhibit C, marked "Schedule of Sanitary Sewer Improvements;" Exhibit D, marked "Schedule of Water Improvements;" Exhibit E, marked "Schedule of Recycled Water Improvements;" and Exhibit F, marked "Schedule of Underground Power And Telephone Improvements;" all of which Exhibits are incorporated herein and made by reference a part hereof. The Exhibits describe quantities, units and costs associated with the improvements to be made.

2. Prior to commencing construction, obtain all necessary environmental clearances, acquire any necessary right-of-way and obtain any necessary permits from any outside agencies.

3. Complete the Subdivision improvements contemplated under this Agreement within two (2) years from the date that the Subdivision Final Map is filed with the El Dorado County Board of Supervisors.

4. Install or cause to be installed, modify or cause to be modified, any and all erosion and sediment control features, whether temporary or permanent, deemed necessary by the County Engineer to ensure compliance with the Clean Water Act, the Statewide General Permit, and County's, Grading, Erosion and Sediment Control Ordinances. Failure to comply with this provision shall constitute a material breach of this Agreement.

5. Post security acceptable to County as provided in Section 16.16.050 of the Code. In the event that the Sureties issuing the posted securities are subsequently downgraded to a rating unacceptable to County in its sole discretion, Owner shall, upon twenty (20) days written notice by County, post replacement securities that are acceptable to County.

6. Provide for and pay the costs of related civil engineering services, including the costs of inspection and utility relocation when required, and attorneys' fees, costs, and expenses of legal services.

7. Provide deposit for and pay to County all costs of construction oversight, inspection, administration and acceptance of the work by County in accordance with the County Engineer Fee Schedule adopted by Resolution of the Board of Supervisors of El Dorado County.

8. Have as-built plans prepared by a civil engineer acceptable to County's Department of Transportation and filed with the Department of Transportation as provided in Section 16.16.060 of the Code.

9. Repair at Owner's sole cost and expense, any defects, in workmanship or materials, which appear in the work within one (1) year following acceptance of the work by County.

10. To the fullest extent allowed by law, 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 other economic or consequential losses, which are claimed to or in any way arise out of or are connected with Owner'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, Owner, 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 Owner to indemnify and save County harmless includes the duties to defend set forth in California Civil Code section 2778.

This duty to indemnity is separate and apart from any insurance requirements and shall not be limited thereto.

11. Enter into another agreement with County for all road improvements to be performed on County property. Such agreement shall also include a requirement that Owner furnish insurance and bonds that comply with the standard County insurance and bonding requirements in the amounts stated, to be approved by the County's Risk Management Division.

12. Provide continuous, sufficient access to Owner's successors and assigns, including but not limited to its Surety and Surety's agents, to the Subdivision to enable the public improvements to be constructed and completed. Access shall be continuous until completion of said public improvements, and release by County of the security underlying this Agreement.

13. Agree that said agreement to provide continuous, sufficient access is irrevocable and shall run with the land and shall be binding upon and inure to the benefit of the heirs, successors, assigns and personal representatives of Owner.

#### **COUNTY WILL:**

14. Upon execution of this Agreement and receipt of good and sufficient security as required by Section 16.16.050 of the Code, and upon compliance with all requirements of law, including all County ordinances, approve the Final Map of the Subdivision.

15. Upon receipt of a Certificate from County's Director of Transportation stating that a portion of the public improvements agreed to be performed herein has been completed, describing generally the work so completed and the estimated total cost of completing the remainder of the public improvements agreed upon to be performed herein, accept new security as provided in Section 16.16.040 of the Code.

16. Release the security posted in accordance with Sections 16.16.040 and 16.16.052 of the Code.

17. Require Owner 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 deemed by County's Director of Transportation to be necessary or advisable for the proper completion or construction of the whole work contemplated.

18. Require Owner to maintain, and to make such alterations, deviations, additions to, or deletions from, the project erosion control features shown and described on the plans, specifications and cost estimates and the Storm Water Pollution Prevention Plan (SWPPP) as may be deemed by County's Director of Transportation to be necessary or advisable for compliance with the Clean Water Act, Statewide General Permit requirements and County's Grading, Erosion and Sediment Control Ordinances.

19. Upon completion of the public improvements agreed to be performed herein, adopt a resolution accepting or rejecting the streets of said Subdivision into County's road system for maintenance.

20. Retain a portion of the security posted in the amount of ten percent (10%) of the estimated cost of all of the improvements 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.

21. Require Owner to pay County for costs, expenses and reasonable attorneys' fees to be paid by Owner should County be required to commence an action to enforce the provisions of this Agreement, to enforce the security obligations provided herein, and all attorneys' fees, costs, and expenses of litigation incurred by County even if Owner subsequently proceeds to complete the work.

**ADDITIONAL PROVISIONS:**

22. The estimated cost of installing all of the improvements is **FIVE MILLION FOUR THOUSAND TWO HUNDRED SEVENTY DOLLARS AND 58/100 (\$5,004,270.58).**

23. Owner shall conform to and abide by all Federal, State and local building, labor and safety laws, ordinances, rules and regulations. All Work and materials shall be in full accordance with the latest rules and regulations of the State Fire Marshall, safety orders of the Division of Industrial Safety, California Electrical Code, California Building Code, California Plumbing Code, and any and all other applicable laws and regulations. Nothing in this Agreement, including but not limited to the improvement plans and specifications and cost estimates, is to be construed to permit work not conforming to these codes.

24. Development of lots within the subdivision will be partially restricted to coincide with the progress of the construction of the internal collector roads as shown in the plans titled "Plans for the Improvement and Grading of West Valley Collector Roads," approved by the Director of Transportation (Director) on January 31, 2006, which are the subject of a separate Road Improvement Agreement (RIA) between the County and West Valley LLC, which is incorporated by reference herein. The restriction is as follows:

No occupancy shall be permitted in any structure until sufficient road and signal improvements, as determined by the Director, are constructed to provide safe and unrestricted access to the individual properties. This subdivision and Subdivision Improvement Agreement will not be deemed complete by the County unless and until all the RIA Improvements, as shown on the plans listed above, have been substantially completed, as determined by the Director, and accepted by the County Board of Supervisors.

25. Inspection of the work and/or materials or statements by any officer, agent, or employee of County indicating that the work or any part thereof complies with the requirements of this Agreement, or acceptance of the whole or any part of said work and/or materials, or payments therefore, or any combination or all of these acts, shall not relieve Owner of its

obligation to fulfill this Agreement as prescribed; nor shall County be stopped from bringing any action for damages arising from the failure to comply with any terms and conditions hereof.

26. This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

27. Neither this Agreement, nor any part thereof may be assigned by Owner without the express written approval of County.

28. 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:

County Of El Dorado  
Department Of Transportation  
2850 Fairlane Court  
Placerville, CA 95667  
Attn.: James W. Ware,

Deputy Director,

Transportation Planning and Land Development

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 Owner shall be addressed as follows:

Centex Homes  
3700 Douglas Boulevard, Suite 150  
Roseville, CA 95661  
Attn.: Fred Penman,  
Land Development Manager

or to such other location as Owner directs.


29. 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.

30. Any action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California.


31. 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.

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: 3/6/07  
Chairman, HELEN K. BAUMANN  
Board of Supervisors  
"County"


Attest:  
Cindy Keck  
Clerk of the Board of Supervisors

By:  Dated: 3/6/07  
Deputy Clerk

--CENTEX HOMES--

By: Centex Homes  
a Nevada General Partnership

By: CENTEX Real Estate Corporation  
a Nevada Corporation  
Managing Partner

By:  Dated: 01/12/07  
Steve Porter  
Vice President – Land Development  
"Owner"

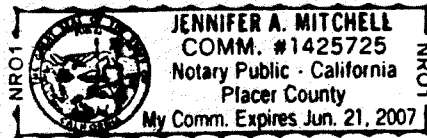
STATE OF CALIFORNIA

COUNTY OF ~~EL DORADO~~ Placer

On this 12<sup>th</sup> day of January, 2007, before me a Notary Public, personally appeared Steve Porter, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name is subscribed to this instrument, and acknowledged that he (she or they) executed it.

WITNESS my hand and official seal.

Jennifer A Mitchell  
Notary Public in and for said County and State



## Exhibit A

### Schedule Of Street Improvements

Owner agrees to improve all streets and roads for dedication upon the final map of the **West Valley Unit 2** Subdivision as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the Director of Transportation, and as set forth in the following Schedule of Street Improvements:

Item Description	Quantity	Units	Unit Cost	Total Cost
3" AC/8" AB	150,052.00	SF	\$3.36	\$504,174.72
Type 1 Curb and Gutter	8,604.00	LF	\$18.00	\$154,872.00
Type 2 Curb and Gutter	358.00	LF	\$18.00	\$6,444.00
Type 3 Curb and Gutter	58.00	LF	\$18.00	\$1,044.00
AC Dike	298.00	LF	\$6.00	\$1,788.00
Sidewalk Ramps	20.00	EA	\$600.00	\$12,000.00
Street Signs	8.00	EA	\$300.00	\$2,400.00
4" PCC Sidewalk	36,009.00	SF	\$4.80	\$172,843.20
Stop Signs w/ Stop Bars	9.00	EA	\$600.00	\$5,400.00
<b>Subtotal Street Improvements</b>				<b>\$860,965.92</b>
Project Administration		2%		\$17,219.32
Construction Staking		15%		\$129,144.89
Contingency		15%		\$129,144.89
Erosion Control Inspection		4%		\$34,438.64
<b>Total Street Improvements</b>				<b>\$1,170,913.65</b>



## Exhibit B

### Schedule Of Storm Drainage Improvements

Owner agrees to install the storm drainage improvements in the **West Valley Unit 2** Subdivision as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the Director of Transportation, and as set forth in the following Schedule of Water Improvements:

Item Description	Quantity	Units	Unit Cost	Total Cost
12" Storm Drain Pipe – HDPE	282.64	LF	\$42.00	\$11,870.88
18" Storm Drain Pipe – HDPE	1,742.68	LF	\$54.00	\$94,104.72
24" Storm Drain Pipe – HDPE	739.96	LF	\$66.00	\$48,837.36
30" Storm Drain Pipe – HDPE	374.65	LF	\$78.00	\$29,222.70
Std. Type "B" Drain Inlet	11.00	EA	\$3,600.00	\$39,600.00
SR Type 4AC Drain Inlet	7.00	EA	\$6,000.00	\$42,000.00
Outfall Structure	1.00	EA	\$3,000.00	\$3,000.00
48" Storm Drain Manhole	12.00	EA	\$3,360.00	\$40,320.00
36" OMP	2.00	EA	\$3,000.00	\$6,000.00
TV Inspection	3,139.93	LF	\$2.00	\$6,279.86
<b>Subtotal Storm Drainage Improvements</b>				<b>\$321,235.52</b>
Project Administration		2%		\$6,424.71
Construction Staking		15%		\$48,185.33
Contingency		15%		\$48,185.33
Erosion Control Inspection		4%		\$12,849.42
<b>Total Storm Drainage Improvements</b>				<b>\$436,880.31</b>

## Exhibit C

### Schedule Of Sanitary Sewer Improvements

Owner agrees to install the sanitary sewer collection and disposal system in the **West Valley Unit 2** Subdivision as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the Director of Transportation, and as set forth in the following schedule of Sewer Improvements:

Item Description	Quantity	Units	Unit Cost	Total Cost
6" SDR-35 PVC	3,282.58	LF	\$54.00	\$177,259.32
Std. 48" Manhole	18.00	EA	\$3,360.00	\$60,480.00
4" Standard Sewer Services	88.00	EA	\$1,200.00	\$105,600.00
TV Inspection	5,042.58	LF	\$2.00	\$10,085.16
<b>Subtotal Sanitary Sewer Improvements</b>				<b>\$353,424.48</b>
Project Administration		2%		\$7,068.49
Construction Staking		15%		\$53,013.67
Contingency		15%		\$53,013.67
Erosion Control Inspection		4%		\$14,136.98
<b>Total Sanitary Sewer Improvements</b>				<b>\$480,657.29</b>

## Exhibit D

### Schedule Of Water Improvements

Owner agrees to install the water supply and distribution system in the **West Valley Unit 2** Subdivision as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the Deputy Director, and as set forth in the following Schedule of Water Improvements:

Item Description	Quantity	Units	Unit Cost	Total Cost
6" PVC C-900 (CL 150)	882.17	LF	\$42.00	\$37,051.14
8" PVC C-900 (CL 150)	3,847.26	LF	\$60.00	\$230,835.60
6" Gate Valve	2.00	EA	\$1,020.00	\$2,040.00
8" Gate Valve	20.00	EA	\$1,200.00	\$24,000.00
2" BOV	3.00	EA	\$3,360.00	\$10,080.00
1" ARV	4.00	EA	\$3,000.00	\$12,000.00
Hot-Tapp	1.00	EA	\$6,000.00	\$6,000.00
Fire Hydrants	10.00	EA	\$3,120.00	\$31,200.00
Water Services	106.00	EA	\$1,440.00	\$152,640.00
<b>Subtotal Water Improvements</b>				<b>\$505,846.74</b>
Project Administration		2%		\$10,116.93
Construction Staking		15%		\$75,877.01
Contingency		15%		\$75,877.01
Erosion Control Inspection		4%		\$20,233.87
<b>Total Water Improvements</b>				<b>\$687,951.57</b>

## Exhibit E

### Schedule Of Recycled Water Improvements

Owner agrees to install the recycled water supply and distribution system in the **West Valley Unit 2** Subdivision as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the Deputy Director, and as set forth in the following Schedule of Recycled Water Improvements:

Item Description	Quantity	Units	Unit Cost	Total Cost
6" Purple Plus C-900 (CL 150)	4,440.43	LF	\$42.00	\$186,498.06
6" Gate Valve	18.00	EA	\$1,020.00	\$18,360.00
2" BOV	3.00	EA	\$3,360.00	\$10,080.00
1" ARV	4.00	EA	\$3,000.00	\$12,000.00
Recycled Water Services	105.00	EA	\$1,440.00	\$151,200.00
<b>Subtotal Recycled Water Improvements</b>				<b>\$378,138.06</b>
Project Administration		2%		\$7,562.76
Construction Staking		15%		\$56,720.71
Contingency		15%		\$56,720.71
Erosion Control Inspection		4%		\$15,125.52
<b>Total Recycled Water Improvements</b>				<b>\$514,267.76</b>

## Exhibit F

### Schedule Of Underground Power And Telephone Improvements

Owner agrees to install the underground utility improvements in the **West Valley Unit 2** Subdivision as required by the El Dorado County Subdivision Ordinance in accordance with the plans and specifications thereof approved by the Director of Transportation, and as set forth in the following schedule of Schedule of Underground Power and Telephone Improvements:

Item Description	Quantity	Units	Unit Cost	Total Cost
Mainline Trenching	105	LOT	\$1,600.00	\$168,000.00
Conduit & Boxes	105	LOT	\$1,200.00	\$126,000.00
Wiring and Transformers	105	LOT	\$1,200.00	\$126,000.00
Utility Services	105	LOT	\$8,000.00	\$840,000.00
<b>Subtotal Underground Power and Telephone Improvements</b>				<b>\$1,260,000.00</b>
Project Administration		2%		\$25,200.00
Construction Staking		15%		\$189,000.00
Contingency		15%		\$189,000.00
Erosion Control Inspection		4%		\$50,400.00
<b>Total Underground Power and Telephone Improvements</b>				<b>\$1,713,600.00</b>

**Certificate of Partial Completion of Subdivision Improvements**

I hereby certify that the following improvements for Unit 2 of the West Valley Village Subdivision have been completed, to wit:

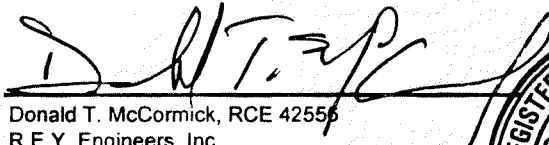
	<u>Total Amount</u>	<u>Percent Complete</u>	<u>Remaining Amount</u>
Schedule of Street Improvements	\$ 1,170,913.65	0%	\$ 1,170,913.65
Schedule Of Storm Drainage Improvements	\$ 436,880.31	0%	\$ 436,880.31
Schedule of Sanitary Sewer Improvements	\$ 480,657.29	0%	\$ 480,657.29
Schedule of Water Improvements	\$ 687,951.57	0%	\$ 687,951.57
Schedule of Recycled Water Improvements	\$ 514,267.76	0%	\$ 514,267.76
Schedule Of Underground Power And Telephone Improvements	\$ 1,713,600.00	0%	\$ 1,713,600.00
<b>Totals</b>	<b>\$ 5,004,270.58</b>		<b>\$ 5,004,270.58</b>

I estimate the total cost of completing the remainder of the improvements, agreed to be performed by the Owner to be FIVE MILLION FOUR THOUSAND TWO HUNDRED SEVENTY AND 58/100 dollars (\$5,004,270.58)

The Performance Bond is for the amount of FIVE MILLION FOUR THOUSAND TWO HUNDRED SEVENTY AND 58/100 dollars (\$5,004,270.58). (100% of Remaining Amount Total, Column 3)

The Labor and Maintenance Bond is for the amount of TWO MILLION FIVE HUNDRED TWO THOUSAND ONE HUNDRED THIRTY FIVE AND 29/100 dollars (\$2,502,135.29). (50% of the Total Amount, Column 1)

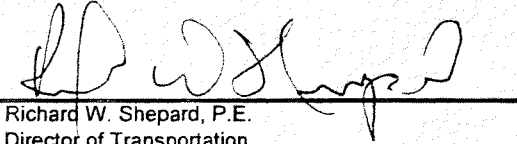
DATED: 12/28/06

  
Donald T. McCormick, RCE 42556  
R.E.Y. Engineers, Inc.  
105 Lake Forest Way, Suite C  
Folsom, CA 95630



ACCEPTED BY THE COUNTY OF EL DORADO:

DATED: 1/9/07

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