

BECKER RUNKLE & LAURIE
ATTORNEYS AT LAW

263 MAIN STREET, LEVEL 2
PLACERVILLE, CALIFORNIA 95667
(530)295-6400

DAVID C. BECKER

FAX (530) 295-6408

October 26, 2007

Ms. Cindy Keck, Clerk of the Board
El Dorado County Board of Supervisors
330 Fair Lane, Bldg A
Placerville, CA 95667

RECEIVED
BOARD OF SUPERVISORS
EL DORADO COUNTY
2007 OCT 29 AM 8:43


Re: 10/30/07 Agenda Item 07-1744 and 01-1681

Dear Ms. Keck:

Enclosed please find 10 copies of materials I wish to present to the Board for its consideration of the DOT – KFRD agenda item noted above.

Sincerely,

BECKER RUNKLE & LAURIE



David C. Becker

DCB:sks

County of El Dorado

BOARD OF SUPERVISORS

TY DUPRAY.....
EN K. BAUMANN.....
JAMES R. SWEENEY.....
CHARLIE PAINE.....
DAVID A. SOLARO.....

DISTRICT I
DISTRICT II
DISTRICT III
DISTRICT IV
DISTRICT V

330 FAIR LANE PLACERVILLE, CA 95867
TELEPHONE (530) 621-5390
FAX NO. (530) 622-3645

CINDY KECK.....CLERK OF THE BOARD



February 15, 2005

KFRD Investments, Inc.
P.O. 1983
Placerville, CA 95667

Re: Barnett Business Park, Unit II Durock Road RIA

Dear Mr. Wilkinson:

At a regular meeting of the El Dorado County Board of Supervisors held Tuesday, February 15, 2005, the Board approved and authorized the Chairman to sign the Road Improvement Agreement for Durock Road/Business Drive.

We have enclosed a fully-executed original agreement and copy of the bonds for your information and files.

Sincerely,

Charlie Paine
Chairman of the Board of Supervisors

Cindy Keck, Clerk of the Board of
Supervisors

By 
Deputy Clerk

/kt

cc: Chuck Collins, DOT

RECEIVED
BOARD OF SUPERVISORS
EL DORADO COUNTY
2007 OCT 29 AM 8:43

for 295-1632

1 **ROAD IMPROVEMENT AGREEMENT FOR DUROCK ROAD/BUSINESS DRIVE**
2 **BETWEEN THE COUNTY AND THE DEVELOPER**

3 **AGMT # 04-601**

4 **THIS ROAD IMPROVEMENT AGREEMENT**, hereinafter called "Agreement" made and
5 entered into by and between the **COUNTY OF EL DORADO**, a political subdivision of the State of
6 California, hereinafter "County," and **KFRD INVESTMENTS, INC.**, a corporation duly qualified to
7 conduct business in the State of California, whose principal place of business is 681 Main Street, Suite
8 204C, Placerville, California 95667, hereinafter "Developer," concerning the construction of a traffic
9 signal at Durock Road and Business Drive, various intersection improvements and road improvements
10 on Durock Road, hereinafter "Project," in accordance with the improvement plans, entitled **BARNETT**
11 **BUSINESS PARK UNIT II, DUROCK ROAD IMPROVEMENTS (CARLTON ENGINEERING)**
12 **FROM STATION 468+00 TO STATION 478+00 (DUROCK ROAD) AND STATION 10+00 TO**
13 **STATION 13+00 (BUSINESS DRIVE)**, and cost estimates prepared by Carl W. Damoude, Registered
14 Civil Engineer, and approved by Elizabeth B. Diamond, Interim Director of Transportation, hereinafter
15 "Director," El Dorado County Department of Transportation, hereinafter "Department."

16 The parties agree to the following:

17
18 **SECTION 1. THE WORK**

19 Developer will, at his own cost and his expense, in a workmanlike manner, faithfully and
20 fully construct or cause to be constructed a traffic signal at the intersection of Durock Road and Business
21 Drive and shall improve Durock Road to include a westbound left-turn lane at this intersection and an
22 eastbound right-turn only lane and will perform the requirements of this Agreement in accordance with
23 the plans, change orders, and itemized cost estimates approved by Director and hereby made a part of
24 this Agreement for all purposes as if fully incorporated herein.

25 An itemized account of the estimated cost of said improvements is set forth in Exhibit A,
26 marked "Opinion of Probable Cost," attached hereto and incorporated by reference herein. This Durock
27 Road/Business Drive improvement project is identified as Project Number 73354 in County's Proposed
28 Interim Capital Improvement Program and is being advanced by Developer and, therefore, some or all of
the improvements may be eligible for reimbursement from County's traffic impact mitigation fee

1 program. For that portion of the work that would be eligible for reimbursement under the "Guidelines
2 for Road Impact Fee/Traffic Impact Mitigation Fee Reimbursement Projects," Developer acknowledges
3 that construction must be done in accordance with all applicable state and local rules, regulations, and
4 ordinances, including but not limited to Public Contract Code and County bidding requirements, Labor
5 Code requirements inclusive of prevailing wage, and State licensing regulations and County guidelines
6 and policies. The share of construction costs eligible for reimbursement and the terms of reimbursement
7 will be specified in a Reimbursement Agreement between County and Developer.

8 County will require Developer to make such alterations, deviations, additions to or
9 deletions from the improvements shown and described on the plans, specifications, and cost estimates as
10 may be reasonably deemed by the County Engineer for the Department of Transportation to be necessary
11 or advisable for the proper completion or construction of the whole work contemplated, provided the
12 amount of such changes in the improvements does not exceed ten percent (10%) of the total estimated
13 cost of the improvements.

14 15 **SECTION 2. TRAFFIC CONTROL**

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

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

23 24 **SECTION 3. TIME**

25 Developer shall cause the commencement of items of work after receiving a Notice to
26 Proceed from the Department and shall complete the Project no later than 31 December 2005 subject to
27 extensions for delays not within the control of Developer. Construction activities shall be between 7:00
28 a.m. and 7:00 p.m., Mondays through Fridays; and 9:00 a.m. and 5:00 p.m. on Saturdays.

1 **SECTION 4. WARRANTY**

2 Developer warrants the materials and workmanship utilized on this Project for a period of
3 one (1) year and shall make such replacements and repairs during such one (1) year period, at his sole
4 cost and expense, as are necessary due to defects. County will retain a portion of the security posted in
5 the amount of ten percent (10%) of the total value of work performed, in the form of a Performance
6 Bond for one (1) year following acceptance of the work by County to secure the repair of any hidden
7 defects in workmanship or materials which may appear.
8

9 **SECTION 5. PERFORMANCE BOND**

10 Developer shall deliver to Department a performance bond issued by Developer's surety
11 company, acceptable to County, naming County as obligee, in the sum of **One Hundred Eighty-Seven**
12 **Thousand, One Hundred Eighteen Dollars (\$187,118.00)**, based on one hundred percent (100%) of
13 improvement costs, one hundred percent (100%) of erosion control costs, and one hundred percent
14 (100%) of project administration, staking, and contingency (totaling \$395,118.00), less Two Hundred
15 One Thousand dollars (\$201,000.00), representing funds currently on deposit in County's Durock Road
16 Account, conditioned upon the faithful performance of this Agreement on or before the completion date
17 specified above, and in the form approved by County and less Seven Thousand Dollars (\$7,000.00)
18 available in the West Slope Traffic Impact Mitigation fee account. Credit for funds currently in County's
19 Durock Road Account (\$201,000.00) represents fees and accrued interest previously collected pursuant
20 to and under two Agreements, one Agreement dated September 30, 1986 for Barnett Business Park
21 entered into by County and KFRD Investments, Inc. and Joe Vicini, Inc., and the other Agreement dated
22 January 9, 1991 for Barnett Business Park Unit II entered into by County and KFRD Investments, Inc.
23 Both Agreements were the subject of a subsequent Agreement to Acknowledge Termination of
24 Agreements (hereinafter referred to as "Termination Agreement") entered into by the respective parties
25 on June 22, 2004 and recorded as document number 20040063059 on August 6, 2004 in the office of the
26 County Recorder. Pursuant to the provisions of the Termination Agreement, all fees, together with
27 accrued interest, collected pursuant to and under the original two Agreements which were in the Durock
28 Road Account, would be applied to certain construction and design costs for the Project.

1 The performance bond required by this Section is a condition precedent of County
2 entering into this Agreement. Developer shall ensure that the contractor awarded the work provide
3 payment and performance bonds that name County as an additional obligee, and that include a one (1)
4 year warranty provision in the performance bond against defects in materials and workmanship. The
5 bond forms shall be County's approved forms and shall be included in the bid specifications. After
6 contract award, Developer shall submit for County's review and approval the executed bonds together
7 with certificates of insurance from the contractor naming the County as an additional named insured.
8

9 **SECTION 6. INDEMNIFICATION**

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

21 This duty to indemnify is separate and apart from the insurance requirements herein and
22 shall not be limited thereto.
23

24 **SECTION 7. ATTORNEY FEES**

25 Developer shall pay costs and reasonable attorney fees should County be required
26 to commence an action to enforce the provisions of this Agreement or in enforcing the security
27 obligations provided herein.
28

SECTION 8. INSURANCE

1 **GENERAL INSURANCE REQUIREMENTS:** Developer shall provide proof of a policy of insurance
2 satisfactory to the El Dorado County Risk Manager and documentation evidencing that Developer
3 maintains insurance that meets the following requirements. In lieu of this requirement, Developer may
4 have Contractor provide proof of a policy of insurance satisfactory to the El Dorado County Risk
5 Manager and documentation evidencing that Contractor maintains said insurance so long as Contractor's
6 insurance meets these same requirements and standards, and subject to Contractor assuming the same
7 obligations as Developer as follows:

- 8 1. Full Workers' Compensation and Employers' Liability Insurance covering all
9 employees performing work under this Agreement as required by law in the State of
10 California.
- 11 2. Commercial General Liability Insurance of not less than Two Million Dollars (\$2,000,000)
12 combined single limit per occurrence for bodily injury and property damage, including but not
13 limited to endorsements for the following coverages: premises, personal injury, operations,
14 products and completed operations, blanket contractual, and independent contractors liability.
- 15 3. Automobile Liability Insurance of not less than One Million Dollars (\$1,000,000) is required
16 in the event motor vehicles are used by Developer in performance of the Agreement.
- 17 4. In the event Developer or his agent(s) are licensed professional(s) and are performing
18 professional services under this contract, professional liability insurance is required, with a
19 limit of liability of not less than One Million Dollars (\$1,000,000) per occurrence.
- 20 5. Explosion, Collapse, and Underground (XCU) coverage is required when the scope of work
21 includes XCU exposure.

22 **PROOF OF INSURANCE REQUIREMENTS:**

- 23 1. Developer shall furnish proof of coverage satisfactory to the El Dorado County Risk
24 Manager as evidence that the insurance required herein is being maintained. The
25 insurance will be issued by an insurance company acceptable to the Risk Manager, or be
26 provided through partial or total self-insurance likewise acceptable to the Risk Manager.
- 27 2. The County of El Dorado, its officers, officials, employees, and volunteers are
28 included as additional insured, but only insofar as the operations under this Agreement
are concerned. This provision shall apply to all liability policies except Workers'

1 Compensation and Professional Liability insurance policies. Proof that County is
2 named additional insured shall be made by providing the Risk Manager with a certified
3 copy, or other acceptable evidence, of an endorsement to insurance policy naming
4 County an additional insured.

- 5 3. In the event Developer cannot provide an occurrence policy, Developer shall provide
6 insurance covering claims made as a result of performance of this Agreement for not less
7 than three (3) years following completion of performance of this Agreement.
- 8 4. Any deductibles or self-insured retentions must be declared to and approved by County. At the
9 option of County, either: the insurer shall reduce or eliminate such deductibles or self-insured
10 retentions as respects the County, its officers, officials, employees, and volunteers; or Developer
11 shall procure a bond guaranteeing payment of losses and related investigations, claim
12 administration, and defense expenses.

13 **INSURANCE NOTIFICATION REQUIREMENTS:**

- 14 1. The insurance required herein shall provide that no cancellation or material change in any
15 policy shall become effective except upon thirty (30) days prior written notice to County at
16 the office of the Department of Transportation, 2850 Fairlane Court, Placerville, CA 95667.
- 17 2. Developer agrees that the insurance required herein shall be in effect at all times during
18 the term of this Agreement. In the event said insurance coverage expires at any time or
19 times during the term of this Agreement, Developer shall immediately provide a new
20 certificate of insurance as evidence of the required insurance coverage. In the event
21 Developer fails to keep in effect at all times insurance coverage as herein provided, County
22 may, in addition to any other remedies it may have, terminate this Agreement upon the
23 occurrence of such event. New certificates of insurance are subject to the approval of the
24 Risk Manager, and Developer agrees that no work or services shall be performed prior to the
25 giving of such approval.

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

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

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

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

9
10 **PRIMARY COVERAGE:** Developer's insurance coverage shall be primary insurance as respects the
11 County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by
12 the County, its officers, officials, employees, or volunteers shall be excess of Developer's insurance and
13 shall not contribute with it.

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

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

19 **GOVERNING PRECEDENCE:** To the extent that this Section 8, "Insurance", is inconsistent with
20 Section 7-1.12, "Indemnification and Insurance", of the State of California, Department of
21 Transportation, Caltrans Standard Specifications, dated July, 2002, this Article shall govern; otherwise
22 each and every provision of such Section 7-1.12 shall be applicable to this Agreement.

23 **SECTION 9. RESPONSIBILITY OF ENGINEER**

24 Developer shall employ an engineer to administer the construction of the Project, which
25 includes, but is not limited to, construction staking, preparing and approving change orders, and
26 keeping abreast of the various construction activities. County's Department of Transportation shall
27 be notified in advance of terminating the services of the engineer. Stakes or marks shall be
28 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,

1 drawings, and written descriptions, which shall be prepared by the engineer and approved by
2 Department. County's Department of Transportation shall make the final determination of costs of
3 eligible for reimbursement. Developer shall employ an individual or firm acceptable to County's
4 Department of Transportation to manage the construction of improvements contemplated herein. The
5 individual or firm so employed shall act as Developer's representative to ensure full compliance with the
6 terms and conditions set forth in the plans, specifications, all permits and any other agreements, notices
7 or directives related to Project and entered into or issued by other agencies, utilities or firms.
8

9 **SECTION 10. INSPECTION**

10 Construction inspection and material testing in accordance with the State of California,
11 Department of Transportation, Standard Specifications, dated July 2002, will be performed by an
12 authorized representative of County. All testing shall be accomplished to the reasonable satisfaction of
13 County.
14

15 **SECTION 11. RECORD DRAWINGS**

16 Developer shall have an engineer prepare Record Drawings describing the finished work.
17 The Record Drawings shall be submitted to Department at the completion of the work.
18

19 **SECTION 12. FEES**

20 Developer shall pay all fees in accordance with County's Community Development
21 Services fee schedules, including but not limited to application, plan checking, construction oversight,
22 inspection, administration and acceptance of the work by County.
23

24 **SECTION 13. PUBLIC UTILITIES**

25 Developer shall investigate and determine if existing public and private utilities conflict
26 with the construction of the Project. Developer shall make all necessary arrangements with the owners
27 of such utilities for their protection, relocation, or removal. Developer shall pay all costs of protection,
28 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

1 relocation, then, as between County and Developer, Developer shall pay all costs of protection,
2 relocation or removal of utilities. Notwithstanding the aforementioned, nothing in this provision shall be
3 construed to prevent Developer from making a claim to owner(s) of said utilities for reimbursement for
4 relocation costs.

5
6 **SECTION 14. RIGHT-OF-WAY CLEARANCE**

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

13 A Record of Survey, the purpose of which is to show the right-of-way acquired and
14 granted to County, shall be obtained by Developer and filed with the County Surveyor upon
15 completion of the right-of-way acquisition. The Record of Survey shall show all new property lines
16 and monuments for the tracts granted to County. Monuments will be of the type and placed in
17 locations required by County in accordance with the Land Surveyors' Act. Developer shall obtain
18 agreements of entry from adjacent property owners for any work that will be performed outside
19 County road right-of-way, such as grading existing driveways to conform with new road grades.

20
21 **SECTION 15. ADMINISTRATION AND ACCEPTANCE**

22 The County Officer or employee with responsibility for administering this Agreement is
23 Elizabeth B. Diamond, Interim Director, Department of Transportation, or successor. Upon completion
24 of the Project and upon receipt by the County Board of Supervisors of a certification from the
25 Department that all work has been completed and the conditions of this Agreement fulfilled, the Board
26 of Supervisors will accept the road improvements on Durock Road Station 468+00 to Station 478+00
27 and Business Drive Station 10+00 to Station 13+00 for maintenance.
28

1
2
3 **SECTION 16. REIMBURSEMENT TO COUNTY**

4 County shall be entitled to costs and expenses incurred by County for construction
5 oversight, inspection, administration and acceptance of the work performed pursuant to this
6 Agreement.
7

8 **SECTION 17. THE PROJECT/ DEVELOPER STATUS**

9 Developer is constructing and completing the Project to provide improvements to Durock
10 Road/Business Drive as a condition of approval for the Barnett Business Park (P99-13) and is acting as
11 an independent agent and not an agent of County.
12

13 **SECTION 18. NOTICE TO PARTIES**

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

17 **To County:**

18 County of El Dorado
19 Department of Transportation
20 2850 Fairlane Court
21 Placerville, CA 95667
22 Attn: Elizabeth B. Diamond,
Interim Director

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 locations as County directs.

23 **To Developer:**

24 KFRD Investments, Inc.
25 P.O. Box 1983
26 Placerville, CA 95667
Attn: Kenneth Wilkinson, President

27 **SECTION 19. AUTHORIZED SIGNATURES**

1 The parties to this Agreement represent that the undersigned individuals executing this
2 Agreement of their respective behalf are fully authorized to do so by law or other appropriate instrument
3 and to bind upon said parties to the obligations set forth herein.
4

5
6
7 **Requesting Department Concurrence:**

8
9 By: 

Elizabeth B. Diamond
Interim Director
Department of Transportation

Dated: 2/8/05

1
2
3 IN WITNESS WHEREOF, the parties have executed this Agreement on the dates indicated
4 below, the latest of which shall be deemed to be the effective date of this Agreement.

5 COUNTY OF EL DORADO

6
7 By: Charlie Paine

Dated: 2/15/05

9 Board of Supervisors
10 "County"

11 Attest:

12 Cindy Keck,
13 Clerk of the Board of Supervisors

14
15 By: Stephen Tyler
16 Deputy Clerk

Dated: 2/15/05

17
18 KFRD INVESTMENTS, INC.

19
20
21 By: Kenneth G. Wilkinson
22 Kenneth G. Wilkinson
23 President
"Developer"

Dated: 2-4-05

24 By: Fred W. Wilkinson
25 Fred W. Wilkinson
26 Vice President
"Developer"

Dated: 2-4-05

27 By: Kenneth G. Wilkinson
28 Corporate Secretary

Dated: 2 4 05

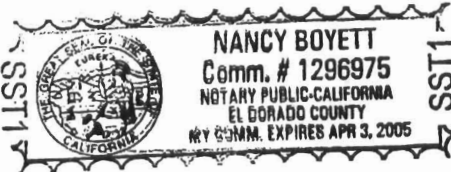
1 STATE OF CALIFORNIA)

2 COUNTY OF El Dorado)

3
4 On this 4th day of February, 2005 before me, Nancy
Boyett, a Notary Public, personally appeared Kenneth G. Wilkinson,
5 Fred W. Wilkinson, and Kenneth L. Wilkinson

6 personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose
7 name is/are subscribed to the within instrument, and acknowledged 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.

8 WITNESS my hand and official seal.



Nancy Boyett
Notary Public in and for said County and State

Address of Owner:

15 STATE OF CALIFORNIA)

16 COUNTY OF _____)

17
18 On this _____ day of _____, 200____, before me, _____
19 _____, a Notary Public, personally appeared _____

20 personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose
21 name is/are subscribed to the within instrument, and acknowledged 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.

22 WITNESS my hand and official seal.

23
24 _____
25 Notary Public in and for said County and State

26 Address of Owner:
27
28

Opinion of Probable Cost

Project: Barnett BP - Durock Road Widening
 Job number: 4543-01-03
 Date: 03-18-2004
 Plan Set Date:
 Prepared by: Austin Roundtree


CARLTON
Engineering Inc

1 GRADING & PREPARATION

ITEM NO.	ITEM	QUANTITY	UNIT	UNIT COST	TOTAL
1.01	Mobilization	1	LS	\$4,000.00	\$4,000.00
1.02	Remove Pavement	2435	SF	\$0.75	\$1,826.25
1.03	Import	750	CY	\$15.00	\$11,250.00
1.04	Sawcut (E) pavement	2145	LF	\$1.00	\$2,145.00
1.01	Remove Curb & Gutter	235		\$1.00	\$235.00
GRADING & PREPARATION SUBTOTAL					\$19,456.25

2 EROSION CONTROL

ITEM NO.	ITEM	QUANTITY	UNIT	UNIT COST	TOTAL
2.01	Erosion Control Maintenance	1	LS	\$3,500.00	\$3,500.00
2.02	Fugitive Dust Control	1	LS	\$2,500.00	\$2,500.00
EROSION CONTROL SUBTOTAL					\$6,000.00

3 PAVING

ITEM NO.	ITEM	QUANTITY	UNIT	UNIT COST	TOTAL
3.01	Asphalt (3"AC/8"AB)	16636	SF	\$2.80	\$46,580.80
3.02	Type 2 Curb & Gutter - mountable	250	LF	\$15.00	\$3,750.00
3.03	Type 'A' AC Dike	434	LF	\$7.00	\$3,038.00
3.04	Driveway (Commercial)	2	EA	\$3,000.00	\$6,000.00
3.05	2" Overlay	26419	SF	\$1.80	\$47,554.20
PAVING SUBTOTAL					\$106,923.00

4 DRAINAGE

ITEM NO.	ITEM	QUANTITY	UNIT	UNIT COST	TOTAL
4.01	12" HDPE, 12 GA	30	LF	\$35.00	\$1,050.00
4.02	24" HDPE, 12 GA	55	LF	\$45.00	\$2,475.00
4.03	Rock-lined V-ditch	25	LF	\$10.00	\$250.00
4.04	12" FES	1	EA	\$500.00	\$500.00
4.05	24" FES	1	EA	\$850.00	\$850.00
4.06	36" Grated Inlet (ER.D.C. STD. # 115A)	1	EA	\$1,500.00	\$1,500.00
4.07	Swale	287	SF	\$3.00	\$861.00

DRAINAGE SUBTOTAL \$7,486.00

9 MISCELLANEOUS IMPROVEMENTS

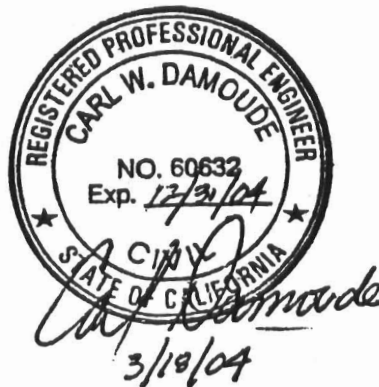
ITEM NO.	ITEM	QUANTITY	UNIT	UNIT COST	TOTAL
8.01	Traffic Guard Rail	30	LF	\$40.00	\$1,200.00
8.02	Street sign	3	EA	\$400.00	\$1,200.00
8.03	Traffic Signal	1	LS	\$145,000.00	\$145,000.00
8.04	Traffic Control	1	LS	\$15,000.00	\$15,000.00
8.05	Electric Service	1	LS	\$10,000.00	\$10,000.00
8.06	Landscape Replacement	1	LS	\$2,000.00	\$2,000.00
8.07	Pavement Striping	1	LS	\$15,000.00	\$15,000.00
MISCELLANEOUS SUBTOTAL					\$189,400.00

SUMMARY OF COSTS

1. GRADING & PREPARATION	\$19,456.25
2. EROSION CONTROL	\$6,000.00
3. PAVING	\$106,923.00
4. DRAINAGE	\$7,486.00
8. MISCELLANEOUS IMPROVEMENTS	\$189,400.00

PROJECT SUBTOTAL	\$329,265
CONTINGENCY COST (10%)	\$32,927
ADMINISTRATION COSTS (2%)	\$6,585
CONSTRUCTION ENG. & STAKING (8%)	\$26,341
TOTAL PROBABLE COST OF PROJECT	\$395,118

In providing opinions of probable construction cost, the Client understands that the Consultant has no control over the cost or availability of labor, equipment or materials, or over market conditions or the Contractor's method of pricing, and that the Consultant's opinions of probable construction costs are made on the basis of the Consultant's professional judgment and experience. The Consultant makes no warranty, express or implied, that the bids or the negotiated cost of the Work will not vary from the Consultant's opinion of probable construction cost.



KFRD Investments, Inc.

681 Main Street, Suite 220
P.O. Box 1983
Placerville, CA 95667

Phone: 530-626-4872
Fax: 530-626-9308
Email: kfrd@hitechnetworks.net

June 6, 2007

Mr. Richard Shepard
EDC Dept of Transportation
2850 Fair Lane
Placerville, CA 95667

Re: Reimbursement for Barnett Business Park, Unit II Durock Road RIA
County Capital Improvement Project #73354

Dear Mr. Shepard:

Pursuant to the terms of the RIA #04-601, KFRD Inc. submits its claim for Reimbursement of its costs incurred to date to pursue this project. This reimbursement claim is made against both the TIM fees account as well as the CIP funding.

The enclosures justify KFRD's claim for a total of \$539,022.00, representing the engineering, DOT design review and plan check billings, KFRD staff and attorney time, as well as performance bond costs and KFRD interest and overhead expended to support this rather difficult project.

Please let us know when we can review your department's proposed reimbursement agreement. It is very important to KFRD that we receive funds right away as the loan KFRD obtained to fund these expenditures carries an interest rate of 11%!

Sincerely,

Ken Wilkinson

EXHIBIT A

SUMMARY OF PROJECT COSTS SUBMITTED BY KFRD INVESTMENTS, INC.

ITEM	CLAIMED*	REIMBURSABLE*	NOTES
DOT FEES	\$85,531.00	\$85,531.00	Reimbursement to KFRD = \$31,613.08. Remaining \$53,917.92 of reimbursement is in the form of payment of KFRD's outstanding obligation.
CARLTON ENGINEERING	\$274,613.00	\$265,603.04	Interest not reimbursable
KFRD MANAGEMENT	\$111,300.00	\$0.00	Internal construction management costs only reimbursable for construction of project
ATTORNEY COSTS	\$11,180.00	\$0.00	Only legal fees related to construction of project reimbursable.
OUTSIDE ENGINEER	\$8,650.00	\$8,650.00	
INTEREST COSTS	\$44,940.00	\$0.00	Interest not reimbursable
BONDING COSTS	\$2,808.00	\$0.00	Bonds were required only because project was not constructed by Developer.
TOTAL	\$539,022.00	\$359,784.04	

*The amounts listed are preliminary claims by KFRD Investments, Inc., and will require submission and review of back-up documentation per the terms of the County's "Guidelines for Road Impact Fee/Traffic Impact Mitigation Fee Reimbursement Projects" before reimbursement payments can be initiated.

7.3 Reimbursement Limitations - Projects eligible for County reimbursement shall be reimbursed only from available funds of the RIF or TIM fee fund. The ability of the County to fully reimburse eligible costs is dependent upon the amount of uncommitted funds available in the RIF/TIM fee funds. The Director of Transportation will determine the allocation of uncommitted available funds which may be reserved for future, or higher priority projects.

7.4 Reimbursements

- Projects on the 5-year CIP

a. Timing - Cash reimbursement shall be made on a four-year basis. Payments each year shall be 25% of the eligible cost. Initial payment shall be made within 90 days of Board of Supervisors acceptance of the facility. Subsequent payments shall be made within 90 days of the acceptance anniversary. No interest shall be paid within the four-year plan. If sufficient funds are not available to comply with the four-year plan, interest on the remaining balance shall be paid at the County's net pooled funds rate from the fourth year to a maximum of the tenth year. The remaining principal due shall be reimbursed as the designated RIF/TIM funds become available.

b. Credits - Rather than cash reimbursements, the Developer and County may mutually agree to credit RIF/TIM payments toward the reimbursement. Generally, credits may be applied up to a maximum of 50% of required RIF/TIM payments by the Developer. Reimbursement of the remaining balance, after credits have been applied, shall be made over the subsequent four year period. The exact reimbursement term shall, as stated before, be contingent on the availability of sufficient funds. Reimbursements from EDH RIF collections are to be made after the 30% set-aside to the Silva Valley interchange RIF fund. No such set-aside is made from TIM fee revenues.

- Projects not on the 5-year CIP will be reimbursed only by specific agreement with the Board of Supervisors.

7.5 Reimbursement Categories

a. Construction Costs - Eligible and ineligible reimbursement categories shall be as follows:

Eligible are Costs
Related to:

Grading
Base Course/Paving
Curb & Gutter
Sidewalks

Ineligible are Costs
Related to:

Landscaping
Lighting
Water, sewer
P G & E

Storm Drain
Intersection Facilities
Safety and Signage

Telephone & other utilities
Overhead for the above

If cost eligibility is disputed, the County Engineer shall make a written recommendation to the Director of Transportation, who shall decide final eligibility.

b. Non-Construction Costs - Eligible and ineligible reimbursement categories for non-physical facilities shall be as follows:

Eligible are Costs
Related to:

Planning
Engineering
Permits
Fees
Legal
Management
Administration
Interest on financing
Off-site Easements

Ineligible are Costs
Related to:

Landscaping
Lighting
Water, sewer
P G & E
Telephone & other utilities
Land dedication
Overhead for the above

No reimbursement shall be made for ineligible non-construction costs. Reimbursement for eligible non-construction costs shall be limited to a maximum of 20% of eligible construction cost. Included within the 20% may be an undocumented allowance of 3% of construction cost for Developer internal project management. Expenditure of the remaining 17% cost shall be documented and approved by the County prior to reimbursement. The County will initially accept non-construction cost documentation consisting of an itemized cost summary showing purpose, receiver, and amounts of expenditures, along with a certification by an authorized Developer official. Additional back-up may be requested by the County.