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**ROAD IMPROVEMENT AGREEMENT
FOR SILVER SPRINGS PARKWAY, OFFSITE
BETWEEN THE COUNTY AND SILVER SPRINGS, LLC**

AGMT #12-53452

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 **Silver Springs, LLC**, a California Limited Liability Company duly qualified to conduct business in the State of California, whose principal place of business is 2999 Oak Road, Suite 400, Walnut Creek, CA 94597 (hereinafter referred to as “Developer”) concerning the road, drainage and road related improvements for the **Silver Springs Parkway, Offsite** (hereinafter referred to as “Project”) in accordance with the improvement plans entitled “**Project Plans For The Construction Of Project #66108 Silver Springs Parkway, Offsite/Bass Lake Road , Offsite (South & East)**” and cost estimates prepared by TLA Engineering and Planning, Terry Lowell, P.E., Registered Civil Engineer, and approved by Robert S. Slater, P.E., Assistant Director of Transportation (hereinafter referred to as “County Engineer”), County of El Dorado Department of Transportation (hereinafter referred to as “Department”).

RECITALS

WHEREAS, pursuant to Findings/Conditions of Approval for TM97-1330 (“Conditions of Approval”) Developer and County have elected to cooperate in the design and construction of the offsite portion of Silver Springs Parkway. Developer has provided a design for the roadway subject to review and approval by the County Engineer and the parties wish to memorialize their respective responsibilities with respect to the completion of the roadway;

WHEREAS, it is the intent of the parties hereto that the Developer shall design the Project in conformity with all applicable state and local laws, rules and regulations and shall advance funding for the construction and right-of-way costs for the Project subject to reimbursement from the County’s traffic impact mitigation fund in accordance with the Reimbursement Agreement entitled “Reimbursement Agreement For The Onsite And Offsite Road Improvements For Silver Springs Development Between The County And The Developer.” (hereinafter referred to as “Reimbursement Agreement”) entered into contemporaneously herewith;

WHEREAS, Developer has prepared, or is in the process of preparing, improvement plans and cost estimates for the construction of the Project in accordance with the improvement plans entitled “**Project Plans For The Construction Of Project #66108 Silver Springs Parkway, Offsite/Bass Lake Road , Offsite (South & East)**” to be approved by County Engineer;

WHEREAS, the parties desire to enter into this Agreement and to contemporaneously enter into the Reimbursement Agreement and the California Statewide Communities Development Authority Statewide Community Infrastructure Program Requisition and Shortfall Agreement By and Among the County of El Dorado, California Statewide Communities Development Authority and Silver Springs, LLC (hereinafter referred to as the “SCIP Agreement”) to comply with these Conditions of Approval and to set forth the obligations of the parties as modified;

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WHEREAS, through the use of the California Statewide Communities Development Authority’s Statewide Community Infrastructure Program, the Developer is providing financing for the construction by the County of certain road improvements including the Project, of which funds have been deposited in the Silver Springs Improvements Subaccount of the County of El Dorado Custody Account (the “SCIP Subaccount”);

WHEREAS, Developer shall enter into an Assignment and Assumption of Plans and Specifications Agreement and will assign to County all of Developer’s right, title and interest in, to and under the Plans and Specifications for the Project, and will obtain Developer’s Engineer’s consent to said assignment

WHEREAS, County has elected to construction of the Project and County has agreed to bid the construction of that work and to administer the construction contract for the Project inclusive of construction oversight, inspection, material testing, surveying, and administration thereof;

WHEREAS, County has agreed to advance from the County’s TIM program up to the first One Million Dollars (\$1,000,000) to pay the costs of updating the Final Environmental Impact Report entitled “Bass Lake Road Realignment” (State Clearinghouse #90021120) and to pay costs associated with obtaining the necessary Right-Of-Way for the Project;

WHEREAS, the Developer shall provide the County satisfactory security in the form of cash payments or Performance Bond and Laborers and Materialmens Bonds (“Bonds”) for the Project work prior to advertisement for bids;

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

SECTION 1. THE WORK

County’s Department of Transportation will complete the work necessary to update the Final Environmental Impact Report entitled “Bass Lake Road Realignment” (State Clearinghouse #90021120). Costs associated with this environmental update shall be advanced by the County through its TIM Fee fund, as set forth in Section 12 hereinafter.

Developer will, at its own cost and expense, in a workmanlike manner, faithfully and fully design the road, drainage, and road related improvements for the Project All design 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 and design standards. Developer’s obligations herein are for the completion of the design of the Project improvements. Developer shall provide all necessary improvement plans, specifications, cost estimates, quantity calculations, and contract documents in order that the Project will be ready for advertisement and bidding by the County as a public works project (“bid-ready package”). Upon completion of the submittal of the improvement plans with a bid-ready package, Developer shall provide proof of adequate professional liability insurance of the engineer in responsible charge of the design for the Project in favor of the County. Developer shall, prior to advertisement for bids, enter into an Assignment and Assumption Agreement which shall further provide for the complete assignment of ownership of all improvement plans and specifications to the benefit of the County.

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An itemized account of the estimated cost of the Project improvements is set forth in Exhibit A, marked “Silver Springs, LLC - Project #66108 Silver Springs Parkway Offsite and Bass Lake Road Offsite (South and East)” attached hereto and is incorporated by reference herein.

County has agreed to bid and oversee construction of the Project subject to and provided that all environmental work has been completed, the necessary right-of-way acquisition have been completed, Developer remains responsible for all excess environmental and right-of-way acquisition costs as described hereinabove and for the total funding of such construction in accordance with this Agreement, SCIP Agreement, and the Reimbursement Agreement executed by the parties contemporaneously herewith.

After bid opening Developer may review the bid summary for the Project and will be afforded an opportunity to meet with the County’s Director of Transportation and the Project Engineer to provide input to the County on the bid summary so long as that review and input occurs within three (3) days of County’s bid summary notice. County will consider the Developer’s input before issuing the final determination and recommendation for award to the County’s Board of Supervisors. The County’s Board of Supervisor determination of the lowest responsible, responsive bidder, its decision to reject any or all bids, to waive minor inconsistencies, and/or to award the bid shall be in its sole discretion and shall be deemed final.

County’s Department of Transportation will obtain all permits for the Project and shall administer the construction contract including all related construction management, inspections, material testing, and survey items and make such alterations, deviations, additions to or deletions from the improvements as shown and described on the approved plans, specifications, and cost estimates as may be reasonably deemed necessary or advisable for the proper completion or construction of the whole work contemplated.

Change orders: The parties anticipate that one or more change orders may be necessary for work that is not foreseen at the time the Project is bid but which must necessarily be performed in order to address conflicts, changed or differing conditions, or otherwise necessary in order to complete the Project(s). In the event that a contract change order (“CCO”) is required that exceeds \$75,000.00, the County will notify the Developer within 48 hours from notification from the County’s Contractor and provide Developer an opportunity to review the proposed CCO. Developer may review the CCO and will be afforded to meet with the Director of County’s Department of Transportation and the County Project Engineer to provide input to the County so long as that review and input occurs within three (3) days of County’s notice. County will consider the Developer’s input before issuing the final determination on the CCO. The County’s engineering judgment in issuing the final CCO will be deemed final and Developer shall be obliged to advance the funds for the CCO, if funds are not available in the SCIP Subaccount.

Final Acceptance: County’s Department of Transportation shall complete a final inspection for the Project and process the final payment inclusive of all CCO’s pursuant to the construction contract plans and specifications. If there are “no exceptions” to the final payment by the contractor with all claims/CCO’s resolved between the County and contractor, the County’s Department of Transportation will submit the Notice of Acceptance with associated documents to the County Board of Supervisors for approval of the Project with concurrent notification to the Developer. If there are “exceptions” to the final payment submitted by the contractor that result in additional claims/CCO’s, the County’s Department of Transportation shall pursue the remedies of the exceptions with the contactor pursuant to

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the construction contract specifications for the Project and notify the Developer within three (3) working days of receipt of the contractor’s “exception” notice. The Developer will be afforded to meet with the Director of County’s Department of Transportation and the County Project Engineer to provide input to the County so long as that review and input occurs within five (5) working days of County’s notice. County will consider the Developer’s input before issuing the final determination on the “exceptions” in accordance with the contract specifications for the Project. The County’s judgment in issuing the final decision on the contractors “exceptions” and final payment will be deemed final and Developer shall be obliged to advance the funds, if such funds are unavailable in the SCIP Subaccount, for costs associated with the “exceptions”.

SECTION 2. TRAFFIC CONTROL

A Traffic Control Plan that meets County Standards shall be prepared by the Developer’s Registered Civil Engineer and included within the improvement plans as submitted to the Department for review and approval.

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.

SECTION 3. TIME

County will commence the update to the Final Environmental Impact Report within _____ of execution of this Agreement. Within 35 days of certification of the environmental document by the County’s Board of Supervisors, Developer shall submit updated plats and legal descriptions sufficient for the commencement of right-of-way acquisition

Developer shall complete the design of the Project with 100% bid-ready package, design reports, cost estimates, and quantity calculations in accordance with County’s Department of Transportation standards no later then six (6) months from the date the County has certified right-of-way, pursuant to Caltrans right-of-way certification criteria inclusive of utility relocation requirements. .

County shall not commence the bid advertisement process until all of the following have been met: 1) the bid-ready package has been submitted to and accepted by the Director of Transportation, 2) the County has certified right-of-way, 3) the County has determined that there is sufficient secured advanced funding in order to construct the Project, and 4) the Developer has provided the required security for the Project acceptable to the County.

SECTION 4. WARRANTY

Developer warrants the design on the Project for a period of one (1) year from construction contract acceptance by the Board of Supervisors and shall provide such design correction and modification work as is necessary during such one (1) year period, at its sole cost and expense, due to design 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 design defects which may appear.

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SECTION 5. PERFORMANCE AND LABORERS AND MATERIALMENS BONDS

Developer has prepared a current estimated cost of said improvements at Four Million Six Hundred Twenty-Five Thousand Five Hundred Forty Dollars (\$4,625,540) as set forth in Exhibit A, marked “Silver Springs, LLC - Project #66108 Silver Springs Parkway Offsite and Bass Lake Road Offsite (South and East)” attached hereto and incorporated by reference.

Developer shall post a Payment bond or cash deposit in a form and amount satisfactory to the County on or before the date the Department of Transportation is ready to request the County Board of Supervisors authorize the Project for bid advertisement. The amount of the bonds or cash deposit, together with the amount available in the SCIP Subaccount, shall cover 100% of the cost of the entire work for the Project in the amount as estimated on or before that bid advertisement date.

County shall ensure that the Contractor awarded the Project work shall provide Performance and Payment 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 the bid specifications.

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 funding, or work on the Project, and the design, including the plats and legal descriptions for the acquisition of right-of-way, of the improvements whether by Developer or Developer’s consultant, 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.

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:

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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).

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.

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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

The Developer shall employ and make available to County an individual or firm acceptable by the County Engineer to provide responses to contractor and construction inspector requests for information, and to provide requisite design revisions as requested by the County Engineer before, during and close out of construction, and through the one-year warranty period, of the Project. County Engineer shall be notified by Developer one (1) month in advance of terminating the services of the individual or firm accepted by the County Engineer and shall employ a comparable replacement individual or firm acceptable by the County Engineer simultaneously to the termination notice date. 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. The County Engineer shall have full access to the individual or firm

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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 individual or firm shall be a Project cost for which Developer is responsible, if funds are not available in the SCIP Subaccount, in accordance with this Agreement.

SECTION 10. INSPECTION, ARCHEOLOGIST AND OTHER

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.

Developer shall retain and make available to the County and the Contractor an Archaeologist, pursuant to the Findings/Conditions of Approval for TM97-1330. The Developer shall retain and make available to the County the required professional individuals or firms acceptable to the County’s Department of Transportation with the professional expertise as, but not limited to, Biologist, Geotechnical Engineer, Arborist, and Wetland Consultant during construction of the Project. The professional individuals or firms shall be made available throughout the duration of the construction contract for which their services are required pursuant to the construction contract plans and specifications for the Project. The Developer shall be responsible for the costs associated with professional individuals or firms, if funds are not available in the SCIP Subaccount, in accordance with this Agreement.

SECTION 11. RECORD DRAWINGS

County’s Department of Transportation shall prepare Record Drawings describing the finished work.

SECTION 12. FEES

All fees in accordance with the Department’s fee schedules, including but not limited to application, plan checking, construction oversight, inspection, surveying, material testing, and administration costs associated with the Project shall be project costs and paid in accordance with the SCIP Agreement and Reimbursement Agreement between the parties.

SECTION 13. DEFAULT, TIME TO CURE, AND REMEDY

Developer failure to perform any obligation at the time specified in this Agreement will constitute a default and County will give written notice of said default (“Notice”) in accordance with the notice provisions of this Agreement. Notice shall specify the alleged default and the applicable Agreement provision Developer shall cure the default within ten (10) days (“Time to Cure”) from the date of the Notice. In the event that the Developer fails to cure the default within the Time to Cure, Developer shall be deemed to be in breach of this Agreement. .

SECTION 14. PUBLIC UTILITIES

All cost for the protection, relocation or removal of utilities shall be Project cost payable in accordance with the SCIP Agreement and Reimbursement Agreement. To the extent possible all utility considerations will be incorporated into the Final Improvement Plan.

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SECTION 15. ENVIRONMENTAL AND RIGHT-OF-WAY CLEARANCE

Developer shall provide the County updated accurate and sufficient legal descriptions prepared by a Civil Engineer or Land Surveyor of all rights of way, easements or other property interests needed to construct the improvements contemplated by the Project. Each legal description shall be accompanied by a map showing the property to be acquired. To the extent applicable, separate legal descriptions shall be provided for rights of way which fall within any currently existing, non-exclusive road easement and for rights of way which fall outside any such easement of record.

County will advance the first One Million Dollars (\$1,000,000.00) for the environmental update of the Final Environmental Impact Report entitled “Bass Lake Road Realignment” (State Clearinghouse #90021120) set forth in Section 1 and for right-of-way costs inclusive of reimbursable right-of-way costs previously advanced by Developer (hereinafter the “Initial Right-of-way Costs”). Upon notice from the County that the Initial Right-of-Way costs have been advanced by the County, Developer shall advance the remaining costs of the Right-of-Way (hereinafter “Excess Right-of-Way Costs”) within 10 days of the date of said notice. For purposes of this Section, right-of-way costs shall include all costs incurred by the County to acquire the necessary rights of way pursuant to Title 7, Part III of the Code of Civil Procedure, commencing with Section 1230.010 and shall include, but not be limited to, survey costs, costs of appraisal, costs for title search and guarantee, expert fees, attorneys fees, court costs, costs for preparation of acquisition agreement and other documents in the event eminent domain is not necessary for any right of way, costs of public notice, costs of purchase of the property itself and interest thereon, and any other costs ordered by the court to be borne by the County in the acquisition of the property, including any property owner’s attorney’s fees, if awarded. The County shall be entitled, at its sole discretion, to utilize attorneys in the Office of the County Counsel or to retain outside counsel to perform the acquisition legal work. Notwithstanding anything in this Agreement, County shall have no obligation to advance funds from any source other than the TIM Fee Funds, Zones 1-7, and shall have no obligation to advance General Fund monies.

The parties acknowledge that in order to exercise its power of eminent domain, County is required to take certain action and make certain findings as prescribed by law. Nothing in this Agreement shall be deemed to restrict the County in carrying out its legal obligations, nor shall anything herein be deemed to require the County to exercise its discretion of judgment in any particular manner, other than in conformance with law, or to take any actions unless all legally required findings can be made and actions taken pursuant to the independent exercise of judgment by the County. County shall be solely responsible for the prosecution of any eminent domain action and shall make all decisions regarding the manner to proceed therein.

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.

SECTION 16. CONTRACT ADMINISTRATOR

The County Officer or employee with responsibility for administering this Agreement is Robert S. Slater, P.E., Assistant Director, Department of Transportation, or successor.

SECTION 17. ACCEPTANCE

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The Project will be deemed complete upon the County’s engineer certifying to the Board of Supervisors that work has been completed and the County’s Board of Supervisors approval of the Notice of Acceptance.

SECTION 18. DEVELOPER AND COUNTY REIMBURSEMENT

Except as provided herein, the Parties agree and acknowledge that the Project costs associated with the improvements contemplated herein, if eligible for reimbursement under County’s traffic impact fee programs, shall be in accordance with the terms and conditions of the Reimbursement Agreement.

If for any reason the available amount within the SCIP Subaccount (“Available Amount”) is not sufficient to complete the Project as well as reimburse County for Developer’s responsible share of County’s expenses for construction management incurred with respect to the construction and installation of the Project (“County Expenses”), the County shall notify the Developer that the Available Amount has been exhausted or that the Available Amount will not be sufficient to complete the payments for the Project and reimbursement of County Expenses. The Developer shall within ten calendar days of each request, provide to the County in the form of a cashier’s check or electronic funds transfer, the amounts necessary to make the County’s payments on the contracts for the construction and provision of the Project and the reimbursement of County Expenses (“Advanced Funds”). The Advanced Funds shall be deposited in a segregated, interest bearing account and inclusive of interest thereon, shall be used by County to make progress payments to the contractor awarded the contract or to reimburse the County for County Expenses as needed.

At the time the Department of Transportation requests permission to advertise the Project for bids, in the event that the SCIP Subaccount is not sufficient to advance the full costs of construction of the Project, and Developer fails to provide Performance Bonds or sufficient security to guarantee completion of the Project, the County, in its sole discretion, may construct Project improvements using the Developer’s portion of the TIM Fees reserved for reimbursement, together with any remaining funds within the SCIP Subaccount. In that event, Developer, on behalf of itself, its successors and assigns, irrevocably waives any claim for or entitlement to reimbursement for the funds so utilized by County.

SECTION 19. THE PROJECT/ DEVELOPER STATUS

Developer is providing financing for the construction of the improvements as set forth herein, as an independent agent and not an agent of the County. The obligations of Developer as provided in this Agreement are binding upon and inure to the benefit of heirs, successors and assigns of Developer and shall run with the land.

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SECTION 20. 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: Robert S. Slater, P.E.
Assistant Director of Transportation

With a Copy to:

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

Attn: Janel Gifford, P.E.
Office Engineer/Contract Services Unit

or to such other location as County directs.

Notices to Developer shall be addressed as follows:

Silver Springs LLC
2999 Oak Road, Suite 400
Walnut Creek, CA 94957
Attn: William C. Scott, Jr., Chief Financial Officer

or to such other location as Developer directs.

SECTION 21. 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.

Contract Administrator Concurrence:

By: _____ Dated: _____
Robert S. Slater, P.E.
Assistant Director Department of Transportation

Requesting Department Concurrence:

By: _____ Dated: _____
Kimberly A. Kerr, Interim Director
Department of Transportation

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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:
Terri Daly
Acting Clerk of the Board of Supervisors

By: _____

Dated: _____

Deputy Clerk

- - SILVER SPRINGS LLC. - -
A California Limited Liability Company

By: _____

Dated: _____

Sorrento Inc., a California Corporation
Its Managing Member
By: William C. Scott, Jr.
Chief Financial Officer

"Developer"

By: _____

Dated: _____

Corporate Secretary

ACKNOWLEDGMENT

State of California

County of _____

On _____ before me, _____,
(here insert name and title of the officer)

personally appeared _____

_____ ,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

(Seal)

ACKNOWLEDGMENT

State of California

County of _____

On _____ before me, _____,
(here insert name and title of the officer)

personally appeared _____

_____ ,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

(Seal)