

COOPERATIVE AGREEMENT

THIS AGREEMENT, ENTERED INTO EFFECTIVE ON _____, 2008, is between the STATE OF CALIFORNIA, acting by and through its Department of Transportation, referred to herein as "STATE", and the

COUNTY OF EL DORADO, a political subdivision of the State of California, referred to herein as "COUNTY".

RECITALS

1. STATE and COUNTY, herein referred to herein as "PARTIES", pursuant to Streets and Highways Code sections 114 and 130, are authorized to enter into a Cooperative Agreement for improvements to the State Highway System (SHS) right of way (R/W) within COUNTY's jurisdiction.
2. COUNTY intends to construct high occupancy vehicle (HOV) and bus lanes in the median on United States Highway 50 (US 50) from Latrobe Road to the Bass Lake grade within COUNTY, referred to herein as "PROJECT".
3. State is willing to fund an amount of \$20,000,000 from STATE's Corridor Mobility Improvement Account (CMIA). COUNTY is willing to fund one hundred percent (100%) of all remaining PROJECT costs beyond STATE's Corridor Mobility Improvement Account (CMIA), using federally apportioned Congestion, Mitigation and Air Quality (CMAQ), and local funds, said combination of CMIA, CMAQ, and local funds herein referred to as "FUNDS" as shown on Exhibit A. STATE will also perform and fund Independent Quality Assurance (IQA) for PROJECT, at no cost to PROJECT or COUNTY.
4. STATE completed the project approval and environmental documentation (PA&ED) phase of PROJECT in June of 2002 as a capital project.
5. COUNTY will prepare PS&E, contract documents, and advertise, award, and administer the construction contract for PROJECT.
6. The terms of this Agreement shall supersede any inconsistent terms of any prior Memorandum of Understanding (MOU) or agreement relating to PROJECT.
7. PARTIES now define herein below the terms and conditions under which PROJECT's PS&E, R/W, and Construction will be accomplished.

SECTION I

COUNTY AGREES:

1. To perform and prepare the detailed PS&E and to perform all necessary construction activities for PROJECT completion, except for STATE's IQA efforts.
2. All PROJECT work performed by COUNTY, or performed on COUNTY's behalf, shall be performed in accordance with all STATE and Federal laws, regulations, procedures and standards that STATE would normally follow. All such PROJECT work shall be submitted to STATE for STATE's review, comment, and concurrence at appropriate sequential stages of development.
3. To permit STATE to monitor, participate, and oversee the selection of personnel who will provide construction engineering services for PROJECT. COUNTY agrees to consider any request by STATE to avoid a contract award or discontinue the contracted services of any personnel considered by STATE to be unqualified on the basis of credentials, professional expertise, failure to perform, and/or other pertinent criteria.
4. To be liable for any damage to Clarksville Undercrossing (Bridge No. 25-0072 R/L) that occurs as a result of their request for minimal vertical falsework clearance at this location during construction. Additionally, STATE would require COUNTY to pay for, as a PROJECT cost, any required traffic safety devices in conformance with the standards and specifications of the Manual of Uniform Traffic Control Devices.
5. To pay all PROJECT PS&E, R/W, and construction costs, including but not limited to, state furnished material (SFM) and STATE's source inspection costs, in excess of STATE's CMIA contribution for construction capital costs, as shown on Exhibit A, attached to and made a part of this Agreement.
6. To invoice STATE for the amount of \$3,200,000, the initial deposit for PROJECT. This figure represents two month's estimated capital costs for PROJECT. To thereafter submit to STATE, no more than monthly in arrears, invoices for actual costs not to exceed \$25,786,783.
7. Upon completion of PROJECT and all work incidental thereto, to furnish STATE with a detailed statement of PROJECT costs to be borne by STATE. To thereafter refund to STATE, promptly after completion of COUNTY's final accounting of said PROJECT costs, any amount of STATE's deposits, required in Section II, Article 2, remaining after said costs to be borne by COUNTY have been deducted, or to bill STATE for any additional amount required to complete STATE's financial obligations assumed pursuant to this Agreement.

8. To provide written notice to STATE forty-five (45) days prior to award of PROJECT construction contract, requesting any SFM identified in the PROJECT PS&E. To also provide written notice to STATE requesting any additional SFM deemed necessary during PROJECT construction.
9. To deposit with STATE within fifteen (15) days of receipt of billing thereof (which billing will be forwarded within forty-five (45) days of receipt of COUNTY's request), the estimated cost of said SFM. Upon receipt by STATE of both the requested material and COUNTY's payment, STATE will make said material available to COUNTY at a STATE-designated site.
10. COUNTY shall reimburse STATE for all direct and indirect costs incurred for any source inspection performed by STATE for PROJECT.
11. To deposit with STATE within twenty-five (25) days of receipt of STATE's billing thereof, the amount of said bill, which amount represents the estimated cost of source inspection, as referred to in Article 5 of this Section I.
12. To deposit with STATE within twenty-five (25) days of receipt of STATE's initial billing thereof \$100,000, which amount represents the estimated cost of R/W acquisition and R/W activities for PROJECT.
13. To pay STATES's approved monthly invoices within thirty (30) days of receipt. Said invoices shall represent current PROJECT costs for R/W acquisition and R/W activities.
14. To pay STATE upon completion of all work on PROJECT and within twenty-five (25) days of receipt of a detailed statement made upon final accounting of costs therefore, any amount, over and above the aforesaid deposits for R/W acquisition and R/W activities, SFM and source inspection, required to complete COUNTY's financial obligations assumed pursuant to this Agreement.
15. To submit to STATE a detailed PS&E for review and acceptance prior to preparing contract documents. A Civil Engineer registered in the State of California shall sign the PS&E PROJECT. COUNTY agrees that any landscape work in the PS&E shall be prepared and signed by a licensed California Landscape Architect.
16. Personnel, other than STATE employees, who prepared the environmental documentation, including investigative studies and technical environmental reports, shall be made available to STATE, at no cost to STATE, through completion of PROJECT construction to discuss problems which may arise during PS&E, R/W, construction, and/or to make design revisions for contract change orders.

17. To apply for and obtain the necessary encroachment permits from STATE for any required work within the SHS R/W in accordance with STATE's standard permit procedures and in regards to PROJECT construction, as more specifically defined in Section III of this Agreement.
18. To advertise, award, and administer PROJECT construction contract in accordance with requirements of the Local Agency Public Construction Act and the California Labor Code, including its prevailing wage provisions. Workers employed in the performance of work contracted for by COUNTY, and/or performed under encroachment permit, are covered by provisions of the California Labor Code in the same manner as are workers employed by STATE's contractors. The use of any Federal funds towards PROJECT construction will mandate the inclusion and enforcement of all applicable Federal labor mandates.
19. To pay for R/W STATE will acquire for PROJECT. These activities shall comply with all applicable State and Federal laws and regulations, subject to STATE's IQA to ensure that the completed work is acceptable for incorporation into SHS R/W.
20. In recognition that construction work for PROJECT done on STATE's property will not be directly funded and paid by STATE, for the purpose of protecting stop notice claimants and the interests of STATE relative to the successful completion of PROJECT, COUNTY agrees to require the construction contractor to furnish both a payment and a performance bond naming COUNTY as obligee with both bonds complying with the requirements set forth in Section 3-1.02 of STATE's current Standard Specifications prior to performing any construction work for PROJECT. COUNTY shall defend, indemnify and hold harmless STATE, its officers and employees from all claims by stop notice claimants related to the construction of PROJECT under the payment bond.
21. Construction by COUNTY of those portions of PROJECT which lie within the SHS R/W shall not commence until COUNTY's contract plans involving such work, the utility relocation plans, and R/W certification have been reviewed and accepted by STATE and encroachment permits have been issued to COUNTY and COUNTY's contractor.
22. COUNTY's construction contractor shall maintain in force, until completion and acceptance of the PROJECT construction contract, a policy of General Liability Insurance, including coverage of Bodily Injury Liability and Property Damage Liability, which complies with all coverage requirements with Section 7-1.12 of STATE's then effective Standard Specifications. Such policy shall contain an additional insured endorsement naming STATE and its officers, agents, and employees as additional insureds. This insurance coverage shall be evidenced by a Certificate of Insurance in a form satisfactory to STATE which shall be delivered to STATE before the issuance of an encroachment permit to COUNTY's construction contractor.

23. To have PROJECT constructed by contract to the satisfaction of and subject to STATE's acceptance in accordance with the STATE accepted PROJECT PS&E.
24. Contract administration procedures shall conform to STATE's Construction Manual, Local Assistance Procedures Manual, and the PROJECT encroachment permits.
25. Construction within the existing or ultimate SHS R/W shall comply with STATE's Standard Specifications, PROJECT Special Provisions, and STATE's Construction Manual.
26. To identify and locate all utility facilities within PROJECT area as part of COUNTY's PROJECT design responsibility. All utility facilities not relocated or removed in advance of construction shall be identified on PROJECT PS&E for protection, relocation or removal.
27. To furnish evidence to STATE, in a form acceptable to STATE, that arrangements have been made for the protection, relocation, or removal of all conflicting facilities within the SHS R/W and that such work will be completed prior to the award of the contract to construct PROJECT or as covered in the PS&E for said contract. This evidence shall include a reference to all required SHS encroachment permits.
28. COUNTY shall require the utility owner or its contractors performing the protection or relocation work within the SHS R/W to obtain an encroachment permit from STATE prior to the performance of said work.
29. All survey work shall conform to the methods, procedures, and requirements of STATE's Surveys Manual and STATE's Staking Information Booklet.
30. PROJECT material testing and Quality Control/Assurance shall conform to STATE's Construction Manual, Construction Manual Supplement for COUNTY's Resident Engineer and Structure Representative Guideline and STATE's California Test Methods, and shall be performed by a material-tester certified by STATE, as a PROJECT expense.
31. All PROJECT work, except as set forth in this Agreement, is to be performed by COUNTY. Should COUNTY request that STATE perform any portion of PROJECT work not set forth in this Agreement, COUNTY shall first agree to reimburse STATE for such work pursuant to an amendment to this Agreement or a separate executed agreement.
32. To furnish, at PROJECT's expense and subject to the approval of STATE, a field site representative who is a licensed civil engineer in the State of California to perform the functions of a Resident Engineer. The Resident Engineer shall not be an employee or

subcontractor of the entity, if any that prepared the PROJECT PS&E or an employee of the construction contractor.

33. If the Resident Engineer is not also a registered Landscape Architect and landscape work is included in PROJECT work, COUNTY will furnish, at PROJECT expense and subject to approval of STATE, a Landscape Architect to perform the function of an Assistant Resident Engineer/Inspector who is responsible for both daily on-site inspections and final decisions including, but not limited to, any highway planting and the irrigations systems that comprise a portion of the PROJECT work. Final decisions shall continue to be subject to the satisfaction and approval of STATE.
34. As a PROJECT's expense, to furnish sufficient qualified support staff, subject to the approval of STATE, to assist the Resident Engineer in, but not limited to, structure representative construction surveys, soils and foundation tests, measurement and computation of quantities, testing of construction materials, checking shop drawings, preparation of estimates and reports, preparation of the mandated "As-Built" drawings, and other inspection and staff services necessary to assure that the construction is being performed in accordance with the PROJECT PS&E. Said qualified support staff shall be independent of the design engineering company and construction contractor, except that the PROJECT designer may be retained to check shop drawings, do soils foundation tests, test construction materials, and perform construction surveys.
35. Within one hundred and eighty (180) days following the completion and acceptance of the PROJECT construction contract, to furnish STATE with a complete set of "As-Built" plans in accordance with STATE's then current CADD Users Manual, Plans Preparation Manual, and STATE practice. The submittal must also include all STATE requested contract records, including survey documents and Records of Surveys (to include monument perpetuation per the Land Surveyor Act, section 8771). COUNTY shall also submit corrected full-sized hardcopy structure plans.
36. To retain or cause to be retained for audit by STATE or other government auditors for a period of four (4) years from the date of final payment under the PROJECT contract, or four (4) years from STATE payment of the final voucher, whichever is longer, all records and accounts relating to PROJECT construction. COUNTY shall retain said records and accounts longer for such periods as are required in writing by STATE.
37. Upon completion of PROJECT construction, COUNTY will operate and maintain, at COUNTY's cost, any part of PROJECT located outside of the existing SHS R/W (including COUNTY underpasses and over crossings of then existing SHS R/W) , until any subsequent acceptance of any part of PROJECT into SHS R/W by STATE, approve by FHWA, if required, and conveyance of acceptable title to STATE.
38. If COUNTY cannot complete PROJECT as originally scoped, scheduled, and estimated, COUNTY will, only with STATE's prior written consent, amend the PROJECT PS&E

for a suitable resolution to ensure an alternate form of modified PROJECT that will, at all times, provide a safe and operable SHS.

39. If COUNTY terminates PROJECT prior to completion, STATE shall require COUNTY to return all previously received STATE funds to STATE and, at COUNTY's expense, to return the SHS R/W to its original condition or to a safe and operable condition acceptable to STATE. If COUNTY fails to do so, STATE reserves the right to finish PROJECT or to place PROJECT in a safe and operable condition and STATE will bill COUNTY for all actual expenses incurred and COUNTY agrees to pay said bill within thirty (30) days of receipt.
40. All aerial photography and photogrammetric mapping shall conform to STATE's current standards.
41. A copy of all original survey documents resulting from surveys performed for PROJECT, including original field notes, adjustment calculations, and final results, shall be delivered to STATE and shall become property of STATE. For aerial mapping, all information and materials listed in the document "Materials Needed to Review Consultant Photogrammetric Mapping" shall be delivered to STATE and shall become property of STATE.
42. All original recorded land title documents created by PROJECT that establish STATE property rights shall be delivered to STATE and become property of STATE.
43. To submit to STATE a list of Caltrans horizontal and vertical control monuments, which will be used to control surveying activities for PROJECT.
44. To cause, at no cost to STATE, the permanent monumentation of the location of all R/W acquisitions and the re-monumentation of any control or land net monuments destroyed during construction. Land net monuments within the State R/W need not be re-monumented, but must be referenced. All of the above referenced permanent monumentation and re-monumentation, and the existing land net, are to be shown on a Record of Survey filed with the County Surveyor in conformance with the California Land Surveyors Act. COUNTY shall deliver one copy of any field notes, Corner Records, with appurtenant back up and reference data and the Record of Survey to the STATE for approval prior to submitting the Record of Survey to the County.
45. To provide, at no cost to STATE, all necessary R/W Maps and Documents used to acquire R/W by COUNTY. All maps and documents shall be prepared by or under the direction of a person authorized to practice land surveying in the State of California. All maps and documents shall be prepared in accordance with the State of California R/W Manual, Chapter 6 - R/W Engineering, the State of California Drafting and Plans Manual or the superseding Plans Preparation Manual, the State of California Surveys Manual, applicable State laws, and other pertinent reference material and examples as provided by

STATE. All R/W Maps and Documents shall bear the appropriate professional seal, certificate number, expiration date of registration certification and signature of the licensed person in "Responsible Charge of Work". COUNTY shall submit to STATE for review and acceptance all documents used to acquire R/W prior to signature of the property grantor. A certified copy of the recorded deeds shall be provided to STATE.

46. To deliver to STATE legal title of R/W, including access rights, free and clear of all encumbrances detrimental to STATE's present and future uses not later than the date of acceptance by STATE of maintenance and operation of the highway facility. Acceptance of said title by STATE is subject to a review of a Policy of Title Insurance in the name of the State of California to be provided and paid for by COUNTY.
47. To provide, at no cost to STATE, survey and mapping services necessary to perpetuate the existing land net in accordance with the California Land Surveyors Act. To submit to STATE for review and acceptance all R/W Engineering Hard Copies and R/W Appraisal Maps with appurtenant back up and reference data prior to preparation of legal descriptions and acquisition documents.
48. To provide, at no cost to STATE, an electronic copy of the Final R/W Record Maps and the Record of Survey with a hardcopy in Microstation format, including an electronic copy of the file, and two reproducible copies and a color bond copy of each final R/W Map.
49. To provide a Construction Zone Enhancement Enforcement Program (COZEEP) by contracting directly with the California Highway Patrol (CHP) for all traffic restrictions as outlined in STATE's Construction Manual.

SECTION II

STATE AGREES:

1. To pay COUNTY's approved monthly invoices within thirty (30) days of receipt. Said invoices shall represent current PROJECT costs. In no event shall bills paid by STATE for such costs exceed the amounts shown in Exhibit A.
2. To deposit with COUNTY the amount of \$3,200,000 within thirty (30) days of receipt of COUNTY's billing thereof, which amount represents two month's estimated capital costs for PROJECT. Thereafter, to deposit with COUNTY, within fifteen days of receipt of COUNTY's periodic invoices, the invoiced amount, which figure will represent current actual PROJECT work costs.
3. To pay COUNTY upon completion of all PROJECT costs and within twenty-five (25) days of receipt of a detailed statement made upon final accounting of costs thereof, any

additional amount required to complete STATE's financial obligations assumed pursuant to this Agreement.

4. To provide, at PROJECT's expense, any SFM as requested by COUNTY, and to make said material available to COUNTY at a STATE-designated site upon receipt of both said material and COUNTY's payment made pursuant to Section I, Article 5, as part of a PROJECT cost.
5. To submit an invoice to COUNTY for the estimated cost of said material, based on current data for the specific items listed, within forty-five (45) days of receipt of COUNTY's request for SFM, pursuant to Section I, Article 8.
6. To submit an initial invoice to COUNTY for \$100,000, the estimated costs of R/W acquisition and R/W activities. To thereafter submit to COUNTY, no more than monthly in arrears, invoices for actual costs.
7. STATE shall perform source inspection as outlined in STATE's Construction Manual, Construction Manual Supplement for Local Agency Resident Engineer, and Local Agency Structure Representative Guideline.
8. To submit an invoice to COUNTY for the estimated direct and indirect source inspection costs upon receipt of said estimate from STATE's representative.
9. Upon completion of PROJECT and all work incidental thereto, to furnish COUNTY with a detailed statement of the R/W activity, R/W capital, SFM and source inspection costs to be borne by COUNTY. To thereafter refund to COUNTY, promptly after completion of STATE's final accounting of said PROJECT costs, any amount of COUNTY's deposits, specified in this Agreement, remaining after actual R/W activity, R/W capital, SFM and source inspection costs to be borne by COUNTY have been deducted or to bill COUNTY for any additional amount required to complete COUNTY's financial obligations assumed pursuant to this Agreement.
10. To provide IQA to assure that COUNTY's PROJECT work is performed in full compliance with the approved PROJECT PS&E and in accordance with STATE's then effective policies, procedures, standards, and practices. This IQA function includes both the obligation and the authority to reject noncompliant PROJECT work and materials accepted by COUNTY immediately upon discovery, to order any actions COUNTY needed for public safety or the preservation of property on the SHS, and to assure compliance with all provisions of the encroachment permit(s) issued by STATE to COUNTY and COUNTY's contractor.
11. To submit an invoice to COUNTY for the estimated direct and indirect cost of source inspection, pursuant to Article 5 of Section I, prior to start of PROJECT construction and upon receipt of said estimate from State's representative

12. Upon proper application by COUNTY and by COUNTY's contractor, to issue, at no cost to COUNTY and COUNTY's contractor, the encroachment permits for required work within the SHS R/W as more specifically defined elsewhere in this Agreement.
13. To provide R/W activities, to perform R/W certification and, if necessary, eminent domain activities.
14. Personnel who are employees of the STATE and who prepared the environmental documentation, including investigative studies and technical environmental reports, shall be made available to COUNTY, through completion of PROJECT construction to discuss problems which may arise during PS&E, R/W, construction, and/or to make design revisions for contract change orders.

SECTION III

IT IS MUTUALLY AGREED:

1. All obligations of STATE under the terms of this Agreement are subject to the appropriation of resources by the Legislature, State Budget Act and the action of the California Transportation Commission (CTC).
2. All parties to this agreement acknowledge that they are responsible to meet the requirements of Government Code Section 8879.20 et al. (Proposition 1 legislation), the Governor's Executive Order 2007-S-02-07, the California Transportation Commission (CTC) Program Guidelines for the applicable Program (CMIA, 99, etc.), and the PROJECT Scope, Cost, Schedule and Benefit Baseline Data agreement (BASELINE AGREEMENT), attached and made a part of this agreement as Exhibit B. PROJECT Bond Funds as identified in this agreement shall not exceed funding stated in BASELINE AGREEMENT. Changes to PROJECT funding commitments will require an amendment to BASELINE AGREEMENT and this cooperative agreement.
3. PARTIES acknowledge that they are responsible for meeting the requirements of Government Code section 8879.20, et al, (Proposition 1B legislation), the Governor's Executive Order 2007-S-02-07, the CTC Program Guidelines for 1B Bond, and the PROJECT Scope, Cost, Schedule and Benefit Baseline Data agreement (BASELINE AGREEMENT) as shown on Exhibit B, attached to and made a part of this Agreement. PROJECT Bond funds as identified in this Agreement shall not exceed funding stated in BASELINE AGREEMENT. Any change to any other funding commitment in this PROJECT requires a BASELINE AGREEMENT amendment prior to amending this Agreement.
4. COUNTY agrees to obtain, as a PROJECT cost, all necessary PROJECT permits, agreements, and/or approvals from appropriate regulatory agencies, unless PARTIES

agree otherwise in writing. If STATE agrees in writing to obtain said PROJECT permits, agreements, and/or approvals, those said costs shall be paid for by COUNTY, as a PROJECT cost.

5. COUNTY shall be fully responsible for complying with and implementing any and all environmental commitments set forth in the environmental documentation, permit(s), agreement(s), and/or environmental approvals for PROJECT. The costs of said compliance and implementation shall be a PROJECT cost.
6. If there is a legal challenge to the environmental documentation including supporting technical studies and/or report(s), permit(s), agreement(s) and/or environmental approval(s)/commitments for PROJECT, all legal costs associated with those said legal challenges shall be a cost of the party, either COUNTY or STATE, that commissioned the environmental documentation.
7. If, during preparation of PROJECT PS&E, R/W or PROJECT construction, new information is obtained, that requires additional environmental documentation to comply with CEQA and/or NEPA if applicable, this Agreement will be amended to include completion of these additional tasks by COUNTY.
8. All administrative reports, studies, materials, and documentation, including, but not limited to, all administrative drafts and administrative finals, relied upon, produced, created or utilized for PROJECT will be held in confidence pursuant to Government Code section 6254.5(e). The parties agree that said material will not be distributed, released or shared with any other organization, person or group other than the parties' employees, agents and consultants whose work requires that access without the prior written approval of the party with the authority to authorize said release and except as required or authorized by statute or pursuant to the terms of this Agreement.
9. If unanticipated cultural, archaeological, paleontological or other protected materials are encountered during PROJECT construction, COUNTY shall stop work in that area until a qualified professional, as determined by mutual agreement of PARTIES, can evaluate the nature and significance of the find and a plan is approved for the removal or protection of that material. The costs for any removal or protection of that material shall be covered as a PROJECT cost contemplated by this Agreement.
10. Any change to PARTIES' PROJECT cost and responsibilities shall be covered by an amendment to this Agreement. COUNTY may be required to stop work on PROJECT until additional funding is secured and/or to restore the site of PROJECT to a condition of safe operation, using any then unexpended funds for PROJECT, if additional funds are not made available for PROJECT.
11. All applicable laws, rules and policies relating to the use of Federal funds and State fuel tax funds shall apply notwithstanding other provisions of this Agreement.

12. In the event that Bond funds are not secured, either party may terminate this Agreement at any time. At that time, each party's participation may be renegotiated to "make up" for the loss of said funds.
13. PARTIES to this Agreement understand and agree that STATE's IQA is defined as providing STATE policy and procedural guidance throughout to completion of the PROJECT PS&E, and right of way phases administered by COUNTY. This guidance includes prompt reviews by STATE to assure that all work and products delivered or incorporated into the PROJECT by COUNTY conform to then existing STATE standards. IQA does not include any PROJECT related work deemed necessary to actually develop and deliver the PROJECT, nor does it involve any validation by the verification and rechecking of any work performed by COUNTY and/or its consultants or contractors and no liability will be assignable to STATE, and/or its officers and employees by COUNTY under the terms of this Agreement or by third parties by reason of STATE's IQA activities. All work performed by STATE that is not direct IQA shall be chargeable against the PROJECT funds as a service for which STATE will invoice its actual costs and COUNTY will pay or authorize STATE to reimburse itself from available funds.
14. Execution of this Agreement by COUNTY grants to STATE the right to enter upon COUNTY controlled lands to perform necessary IQA.
15. All phases of PROJECT, from inception through construction shall be developed in accordance with all policies, procedures, practices, and standards that STATE would normally follow.
16. The design, R/W acquisition, and preparation of any related technical reports/studies for PROJECT shall be performed in accordance with all applicable Federal and STATE standards and practices current as of the date of performance. Any exceptions to applicable design standards shall first be considered by STATE for approval via the processes outlined in STATE's Highway Design Manual and appropriate memoranda and design bulletins published by STATE. In the event that STATE proposes and/or requires a change in design standards, implementation of new or revised design standards shall be done as part of the work on PROJECT in accordance with STATE's current Highway Design Manual Section 82.5, "Effective Date for Implementing Revisions to Design Standards." STATE shall consult with COUNTY in a timely manner regarding the effect of proposed and/or required changes on PROJECT.
17. COUNTY's construction of PROJECT referred to herein which lie within the SHS R/W or affect STATE's facilities, shall not be commenced until COUNTY's original contract plans involving such work and plan for utility relocations have been reviewed and accepted by signature of STATE's District Director of Transportation, or the District

Director's delegated agent, and until an encroachment permit to COUNTY authorizing such work has been issued by STATE.

18. COUNTY shall obtain aforesaid encroachment permit through the office of STATE's District Permit Engineer and COUNTY's application shall be accompanied by five (5) sets of reduced construction plans of aforesaid STATE-accepted contract plans, and five (5) sets of specifications for PROJECT. Receipt by COUNTY of the approved encroachment permit shall constitute COUNTY's authorization from STATE to proceed with work to be performed by COUNTY or COUNTY's representatives within the proposed SHS R/W or which affects STATE's facilities, pursuant to work covered by this Agreement. COUNTY's authorization to proceed with said work shall be contingent upon COUNTY's compliance with all provisions set forth in this Agreement and said encroachment permit.
19. COUNTY's construction contractor shall also be required to obtain an encroachment permit from STATE prior to the commencing any work within the SHS R/W or which affects STATE's facilities. The application by COUNTY's construction contractor for said encroachment permit shall be made through the office of STATE's District Permit Engineer and shall include proof said construction contractor has payment and performance surety bonds covering construction of PROJECT.
20. COUNTY shall not advertise for bids to construct PROJECT until after an encroachment permit has been issued to COUNTY by STATE.
21. During the construction of PROJECT, representatives of COUNTY and STATE will cooperate and consult, and all PROJECT work shall be accomplished according to STATE-accepted plans and specifications, and STATE's applicable standards. STATE's representative shall verify satisfaction of these requirements. STATE's representative is authorized to enter COUNTY's property during construction for the purpose of monitoring and coordinating construction activities.
22. Changes to PROJECT construction shall be implemented by contract change orders reviewed and concurred with by STATE's representative. All changes affecting public safety or public convenience, all design and specification changes, and all major changes as defined in STATE's Construction Manual shall be approved by STATE in advance of performing the work. Unless otherwise directed by STATE's representative, changes authorized as provided herein will not require an encroachment permit rider. All changes shall be shown on the "As-Built" plans referred to in Section I, Article 35.
23. COUNTY shall provide a construction contract claims process acceptable to STATE and shall process any and all claims through COUNTY's claim process. STATE's representative will be made available to COUNTY to provide advice and technical input in any claim process.

24. The party that discovers HM will immediately notify the other party(ies) to this Agreement.

HM-1 is defined as hazardous material (including but not limited to hazardous waste) that requires removal and disposal pursuant to federal or state law, whether it is disturbed by PROJECT or not.

HM-2 is defined as hazardous material (including but not limited to hazardous waste) that may require removal and disposal pursuant to federal or state law, only if disturbed by PROJECT.

25. STATE, independent of PROJECT, is responsible for any HM-1 found within existing SHS right of way. STATE will undertake HM-1 management activities with minimum impact to PROJECT schedule and will pay all costs for HM-1 management activities.

COUNTY, independent of PROJECT, is responsible for any HM-1 found outside existing SHS right of way. COUNTY will undertake HM-1 management activities with minimum impact to PROJECT schedule and will pay all costs for HM-1 management activities.

26. If HM-2 is found within the limits of PROJECT, the public agency responsible for advertisement, award, and administration (AAA) of the PROJECT construction contract will be responsible for HM-2 management activities.

Any management activity cost related to HM-2 is a PROJECT construction cost.

29. Management activities related to either HM-1 or HM-2 include, without limitation, any necessary manifest requirements and designation of disposal facility.

30. STATE's acquisition or acceptance of title to any property on which any hazardous material is found will proceed in accordance with STATE's policy on such acquisition.

31. Nothing in the provisions of this Agreement is intended to create duties or obligations to or rights in third parties not parties to this Agreement or to affect the legal liability of either party to the Agreement by imposing any standard of care with respect to the acquisition of R/W, construction, operation, or maintenance of SHS and public facilities different from the standard of care imposed by law

32. If any existing utility facilities conflict with PROJECT construction or violate STATE's encroachment policy, COUNTY shall make all necessary arrangements with the owners of such facilities for their timely accommodation, protection, relocation, or removal.

33. The costs for PROJECT's positive identification and location, protection, relocation, or removal of utility facilities whether inside or outside STATE's R/W shall be determined

in accordance with Federal and California laws and regulations, and STATE's policies, procedures, standards, practices, and applicable agreements including, but not limited to, Freeway Master Contracts.

34. Neither STATE nor any officer or employee thereof is responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by COUNTY under or in connection with any work, authority, or jurisdiction conferred upon COUNTY or arising under this agreement. It is understood and agreed that, COUNTY will fully defend, indemnify, and save harmless STATE and all of its officers and employees from all claims, suits, or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation, or other theories or assertions of liability occurring by reason of anything done or omitted to be done by COUNTY under this agreement.
35. Neither COUNTY nor any officer or employee thereof is responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by STATE under or in connection with any work, authority, or jurisdiction conferred upon STATE or arising under this agreement. It is understood and agreed that, STATE will fully defend, indemnify, and save harmless COUNTY and all of its officers and employees from all claims, suits, or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation, or other theories or assertions of liability occurring by reason of anything done or omitted to be done by STATE under this agreement.
36. STATE, in exercising its authority under section 591 of the Vehicle Code, has included all of the requirements set forth in Divisions 11, 12, 13, 14, and 15 of the Vehicle Code as applicable to the PROJECT areas open to public traffic. COUNTY shall take all necessary precautions for safe operation of COUNTY's vehicles, the construction contractor's equipment and vehicles or vehicles of personnel retained by COUNTY, and for the protection of the traveling public from injury and damage from such vehicles or equipment.
37. Upon PROJECT completion and acceptance, subject to the approval of STATE, COUNTY will operate and maintain all PROJECT facilities at its own cost until a Maintenance Agreement is executed or an existing agreement, if any, is amended to incorporate the maintenance of these new PROJECT facilities located on SHS R/W.
38. Upon completion of all work under this Agreement, ownership and title to materials, equipment, and appurtenances installed within the SHS R/W will automatically be vested in STATE, and materials, equipment and appurtenances installed outside of the SHS R/W will automatically be vested in COUNTY. No further agreement will be necessary to transfer ownership as hereinbefore stated.

39. COUNTY will accept control and maintain, at its own cost and expense, the portions of PROJECT lying outside the SHS R/W. Also, COUNTY will maintain at COUNTY's expense, local roads within STATE's R/W delegated to COUNTY for maintenance.
40. No alteration or variation of the terms of this Agreement shall be valid unless made in an amendment to this Agreement and signed by PARTIES hereto and no oral understanding or agreement not incorporated herein shall be binding on PARTIES hereto.
41. Prior to the commencement of any work pursuant to this Agreement, either STATE or COUNTY may terminate this Agreement by written notice to the other party.
42. If termination of this Agreement is by mutual consent, COUNTY will bear one hundred percent (100%) of all PROJECT PS&E and R/W costs incurred by STATE.
43. COUNTY Contract Administrator: Russell A. Nygaard, Deputy Director of Engineering, Foothills Engineering Division, Department of Transportation, or his successors.
44. Those portions of this Agreement pertaining to the design and construction of PROJECT shall terminate upon the satisfactory completion of all post-construction obligations of COUNTY and delivery of required PROJECT construction documents, with concurrence of STATE, or on December 31, 2014, whichever is earlier in time, except that the ownership, operation, maintenance, indemnification, and claims clauses shall remain in effect until terminated or modified in writing, by mutual agreement. Should any construction-related or other claims arising out of PROJECT be asserted against one of the parties, the parties agree to extend the fixed termination date of this Agreement, until such time as the construction related claims are settled, dismissed or paid.

STATE OF CALIFORNIA
Department Of Transportation

By: _____
JOSEPH C. CAPUTO, II, Chief
North Region Program/Project Management

Approved as to form and procedure:

By: _____
Attorney, Department of Transportation

Certified as to funds:

By: _____
District Budget Representative

Certified as to financial terms and policies:

By: _____
Accounting Administrator

COUNTY OF EL DORADO

By: _____
RUSTY DUPRAY
Chairman, Board of Supervisors

By: _____
RICHARD. W. SHEPHARD, Director
Department of Transportation

By: _____
RUSSELL A. NYGAARD
Deputy Director of Engineering
Foothills Engineering Division

Attest: _____
CINDY KECK
Clerk of the Board of Supervisors