

**RESOLUTION NO. 2004-246**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE  
AUTHORIZING THE EXECUTION OF  
JOINT COMMUNITY FACILITIES AGREEMENTS WITH THE  
COUNTY OF SACRAMENTO FOR THE LAGUNA COMMUNITY FACILITIES  
DISTRICT, THE LAGUNA WEST COMMUNITY FACILITIES DISTRICT, AND THE  
LAKESIDE COMMUNITY FACILITIES DISTRICT**

**WHEREAS**, prior to the incorporation of the City, the County of Sacramento (the "County") established the Laguna Community Facilities District and the Laguna Creek Ranch/Elliott Ranch Community Facilities District No. 1, Improvement Areas Nos. 1 and 2 (the "Districts") within territory that is now within the boundaries of the City and issued bonds to finance the costs of certain public improvements that would serve the Districts; and

**WHEREAS**, the City intends to design, construct, and install certain of the roadway and park and ride transit facilities that are authorized to be financed by taxes collected in the Districts or by bond proceeds; and

**WHEREAS**, Government Code Section 53316.2(a) provides that a public entity may use a community facilities district ("CFD") to finance facilities owned by an entity other than the agency that forms the CFD, but only pursuant to a joint community facilities agreement or joint exercise of powers agreement; and

**WHEREAS**, Government Code Section 53316.2(d) authorizes the legislative bodies of two or more local agencies to enter into a joint community facilities agreement after formation of the CFD if the legislative body of each entity determines that such a joint agreement is necessary to allow an orderly transition of governmental facilities and finances in the case of a change in governmental organization; and

**WHEREAS**, the City Council duly considered the contents of three draft joint community facilities agreements between the City and the County (the "Agreements"), one for the Laguna Community Facilities District and one for each of the Improvement Districts within the Laguna Creek Ranch/Elliott Ranch Community Facilities District No. 1, a copy of each is on file with the City Clerk, and hereby determines that the execution of the Agreements is necessary to allow an orderly transition of governmental facilities and finances relating to the Districts following the incorporation of the City.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Elk Grove that:

1. **Recitals**. Each of the above recitals is incorporated herein and is true and correct.

2. **Authorization of Officers to Execute and Deliver Agreements**. The City Council hereby authorizes and directs the Mayor, the City Manager, the Director of

Administrative Services, and the City Clerk, and each of them individually (the "Designated Officers"), for and in the name of and on behalf of the City, to execute and deliver the Agreements in substantially the forms of the drafts presented to this meeting, which Agreements are hereby approved, with such changes, insertions, revisions, corrections, or amendments as shall be approved by the Designated Officer or Officers executing the Agreements for the City. The execution of the Agreements by a Designated Officer or Officers of the City shall constitute conclusive evidence of such officer's or officers' and the City Council's approval of the Agreements and any such changes, insertions, revisions, corrections, or amendments.

3. **General Authorization.** The Designated Officers and other officers of the City, and each of them individually, are hereby authorized and directed, for and in the name of and on behalf of the City, to do any and all things and take any and all actions that may be necessary or advisable, in their discretion, in order to effect the purposes of this resolution. All actions heretofore taken by officers, employees, and agents of this City that are in conformity with the purposes and intent of this resolution are hereby approved, confirmed, and ratified.

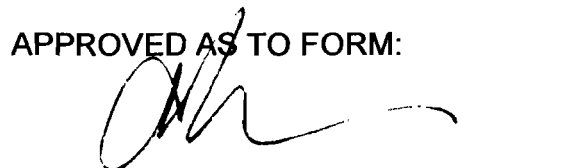
4. **Effective Date.** This resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** by the City Council of the City of Elk Grove this 20<sup>th</sup> day of October 2004.

  
SOPHIA SCHERMAN, MAYOR of the  
CITY OF ELK GROVE

ATTEST:

  
PEGGY E. JACKSON, CITY CLERK

APPROVED AS TO FORM:  
  
ANTHONY B. MANZANETTI,  
CITY ATTORNEY

**JOINT COMMUNITY FACILITIES AGREEMENT  
BETWEEN THE COUNTY OF SACRAMENTO  
AND THE CITY OF ELK GROVE**

**LAGUNA COMMUNITY FACILITIES DISTRICT**

This Joint Community Facilities Agreement (the "Agreement") is entered into as of October 5, 2004, by and between the County of Sacramento (the "County"), a political subdivision of the State of California, acting on behalf of the Laguna Community Facilities District (the "District"), and the City of Elk Grove (the "City"), a California municipal corporation.

**RECITALS**

**WHEREAS**, on May 28, 1986, the Board of Supervisors of the County (the "Board of Supervisors") adopted Resolution No. 86-722 establishing the District pursuant to the Mello-Roos Community Facilities Act of 1982 (Government Code Sections 53311 et seq., hereinafter the "Act") and setting forth the types of public facilities to be provided, financed and acquired by the District;

**WHEREAS**, pursuant to Resolution No. 86-1518, adopted on October 28, 1986, as amended and restated by Resolution No. 87-794 adopted by the Board of Supervisors on June 9, 1987 (the "Bond Resolution"), the Board of Supervisors authorized the issuance of special tax bonds (the "Bonds") to finance public facilities for the District;

**WHEREAS**, on May 18, 2004, among other actions, the Board of Supervisors approved a revised list of remaining improvement projects envisioned by the Laguna Public Facilities Financing Plan that are included within the facilities described in the original Notice of Special Tax Authorization of the District, which list includes roadway facilities (roads, bridges, traffic signals, landscaping improvements along roadways, and all necessary appurtenances thereto);

**WHEREAS**, the City intends to design, construct, and install authorized roadway facilities serving the District, consisting of the facilities (the "Facilities") listed in Exhibit A, attached hereto and incorporated herein by reference;

**WHEREAS**, the parties hereto intend to finance a portion of the cost of the Facilities by allocating a portion of the District Bond proceeds and special tax funds in accordance with the terms of this Agreement and pursuant to the Act;

**WHEREAS**, Section 53316.2(a) of the Act provides that a public entity may use a community facilities district ("CFD") to finance facilities owned by an entity other than the agency that forms the CFD, but only pursuant to a joint community facilities agreement or joint exercise of powers agreement;

**WHEREAS**, Section 53316.2(d) of the Act authorizes the legislative bodies of two or more local agencies to enter into a joint community facilities agreement after formation of the CFD if the legislative body of each entity determines that such a joint

agreement is necessary to allow an orderly transition of governmental facilities and finances in the case of a change in governmental organization;

**WHEREAS**, for purposes of the Act and this Agreement, the Board of Supervisors is the legislative body of the County; and the Elk Grove City Council (the “City Council”) is the legislative body of the City;

**WHEREAS**, the Board of Supervisors and the City Council have, prior to the execution of this Agreement, duly considered the contents of this Agreement and have each determined that the execution of this Agreement is necessary to allow an orderly transition of governmental facilities and finances in the case of a change in governmental organization; and

**WHEREAS**, by this Agreement, the County and the City desire to set forth their intent and their agreements with respect to the use of special tax funds and bond proceeds and construction and ownership of the Facilities;

**NOW, THEREFORE**, in consideration of the mutual promises contained herein, the parties agree as follows:

1. Recitals. Each of the above recitals is incorporated herein and is true and correct.
2. Facilities. The City intends to design and construct the facilities described in Exhibit A attached hereto and incorporated herein by reference.
3. Design, Construction and Ownership of Facilities. The City shall prepare (a) design plans and specifications for the Facilities that conform to the City Standard Construction Specifications and Improvement Standards and (b) an itemized budget for the design, construction and acquisition of the Facilities. The City shall obtain all necessary permits and approvals required for construction of the Facilities. The County and the City agree that the Facilities shall be constructed pursuant to all applicable public works statutes and in compliance with the applicable requirements of the California Environmental Quality Act, the Public Contract Code, the Labor Code, and the Act. The City shall solely own and operate the Facilities that it constructs.
4. Improvement Fund. The County holds Bond proceeds and special tax funds for the payment of the cost of authorized District improvements in an account or accounts established pursuant to the Bond resolution (hereinafter referred to as the “Improvement Fund”). The County hereby agrees that it shall encumber Available Funds in the Improvement Fund up to the amount shown on Exhibit A for the purpose of transferring such amount to the City for the payment of the costs of the Facilities that the City will construct, in accordance with the terms of this Agreement. “Available funds” shall mean funds remaining in the Improvement Fund after the District’s administrative costs and any other outstanding District project costs are paid.

5. Disbursement of Bond Proceeds and Special Tax Funds.

(a) Disbursements for Costs. Upon or subsequent to incurring land acquisition, engineering, other preliminary project costs (including cost of environmental evaluation), the City may submit a funds transfer request to the County in the form attached as Exhibit B for the amounts identified in Exhibit A in the column titled "Est. Engineering and ROW acq.". Upon or subsequent to incurring administrative costs or receiving bids or entering into a construction contract with respect to a Facility, the City may submit a funds transfer request to the County in the form attached as Exhibit B for the amounts identified in Exhibit A in the column titled "Est. Contract/Adm.". Within thirty (30) days of its receipt of a request, the County shall pay or cause to be paid to the City the amount requested from Available Funds in the Improvement Fund, but only to the extent that the total of the amount requested plus the amounts previously transferred by the County to the City with respect to the Facility does not exceed the amount shown in Exhibit A for the Facility. The County shall not be responsible to the City for costs incurred by the City as a result of late payments.

(b) Budget Overruns and Underruns. If the actual costs of construction of an improvement and the related land, engineering, administrative and other costs exceed the amount budgeted in Exhibit A, the County shall reimburse the City for the additional amount from Available Funds in the Improvement Fund, once all of the projects identified in Exhibit A have been completed and provided that the total cost of all projects, including the additional amount, is less than or equal to the total cost identified in Exhibit A. When a construction project has been completed, if the amount actually expended for the improvements was less than the amount transferred by the County to the City for the costs of the improvements, the City shall transfer the excess amount, including interest earned, to the County for deposit into the Improvement Fund.

6. Use of Funds; Tax Covenant. The City shall use funds transferred to it from the Improvement Fund exclusively to pay the cost of (a) design of the Facilities, (b) acquisition of necessary rights-of-way for the Facilities, (c) construction and installation of the Facilities, and (d) administration of the construction of the Facilities. The City agrees that it will comply with all legal requirements for the expenditure of tax funds and bond proceeds under the Act and investment and expenditure of bond proceeds under the Internal Revenue Code of 1986, as amended. In particular, the City shall not invest any bond proceeds to yield more than 2.2%. The City will, upon request, provide to the County any information needed to calculate the County's arbitrage rebate obligations with respect to the District. The City shall account for the expenditure of the funds according to generally accepted governmental accounting practices.
7. County Liability Limited to Taxes and Bond Proceeds. The obligations arising from this Agreement are not a debt of the County, nor a legal or equitable pledge, charge, lien, or encumbrance upon any of its property or upon any of its income, receipts, or revenues, except the revenues of the District arising from the receipt of proceeds of bond

sales of the District and the receipt of special taxes or charges collected solely for the benefit of the District for the Facilities. Neither the General Fund nor any other fund of the County except as previously described above, shall be liable for payment of any obligations arising from this Agreement. Neither the credit nor the general taxing power of the County is pledged for the payment of any obligations arising from this Agreement. The City shall not compel the forfeiture of any of the County's property to satisfy any obligations arising from this Agreement.

8. Debt Service. The City's obligations hereunder shall be limited to the obligations assumed by it with respect to the Facilities. The City shall have no obligation or responsibility whatsoever for the payment of principal and interest on the Bonds or for the levy of the special taxes required to provide debt service. The County shall have the sole responsibility in such matters.
9. No Separate Entity. The parties do not intend to form a separate joint exercise of powers authority by this Agreement; instead, the parties intend that the Board of Supervisors act on behalf of the County on all matters for which the County is responsible under the Act and this Agreement, and that the City Council act on behalf of the City in all matters for which it is responsible under this Agreement. Whenever approval of County and the City is required under the Act or this Agreement, the parties contemplate that such action be submitted to the Board of Supervisors or the City Council for approval by resolution, or to the officer to whom approval authority has been delegated, prior to the parties taking such action.
10. No Third Party Beneficiaries. The County enters into no contract or agreement with any construction contractor by entering into this Agreement nor is any such contractor a third party beneficiary of this Agreement and the County shall have no duty or obligation to pay any contractor for any work that the contractor has done pursuant to plans and specifications or contracts referred to in this Agreement.
11. The City shall furnish to the County a certificate or certificates substantiating the fact that it has taken out the insurance hereinafter set forth for the period covered by this Agreement with an insurance carrier acceptable to the County in a form satisfactory to the County. Each certificate shall bear an endorsement precluding the cancellation or reduction in coverage of any policy covered by such certificate before the expiration of thirty (30) days after the County shall have received notification of such cancellation or reduction by registered mail. The minimum insurance coverage to be obtained by the City is as follows:

Public liability and property damage insurance that includes, but is not limited to, personal injury; property damage; losses related to independent contractors, products and equipment; and explosion, collapse and underground hazards, in the amount of not less than a combined single limit of \$1,000,000, for one or more persons injured and property damaged in each occurrence. The public liability and property damage insurance shall also name as an insured, as an additional insured, the County. This insurance shall directly protect the County as well as the City and its agents.

The insurer shall assume the defense of the County, its officers, employees, and agents from all suits, actions damages, or claims of every type and description to which they may be subjected or put by reason of, or resulting from, the City's operations in regard to the construction, installation, operation or existence of the Facilities. The insurance policies shall expressly state that the above terms are in effect.

Each policy of insurance shall specify that (1) the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the overages afforded shall apply as though separate policies had been issued to each insured, and that (2) it acts as primary insurance and that no insurance held or owned by the County shall be called upon to cover either in full or part any loss covered under the policy acquired by the City.

If the City fails to maintain such insurance, the County may take out insurance to cover damages of the above-mentioned classes for which the County might be held liable on account of the City's failing to pay such damages, and may recover the amount of the premiums for such Agreement. Failure of the County to obtain such insurance shall in no way relieve the City from any of its responsibilities under this Agreement.

12. Indemnification.

(a) By the County. County shall, to the full extent permitted by law, indemnify, defend and hold the City, and its officers, employees, agents and contractors harmless from and against any and all liabilities, losses, claims, damages, and expenses in connection therewith, including attorneys fees and expenses, arising out of or as a result of the levy and collection of the special taxes and the administration of the Bonds and Bond proceeds.

(b) By the City. The City shall, to the full extent permitted by law, indemnify, defend and hold County, and its officers, employees, agents and contractors harmless from and against any and all liabilities, obligations, losses, claims, damages and expenses in connection therewith, including attorneys fees and expenses, arising out of or as a result of the acquisition, construction, or operation and maintenance of the Facilities.

13. Termination. This Agreement shall terminate upon the earliest occurrence of the following events: (a) the dissolution of the District pursuant to section 53338.5 of the Act; or (b) all of the Facilities described in Exhibit A have been funded and completed; or (c) the written agreement of County and the City to terminate this Agreement. Notwithstanding the foregoing, this Agreement shall remain in full force and effect for as long as any Bonds are outstanding.

14. Notice. Any notice, payment or instrument required or permitted by this Agreement to any party shall be deemed to have been received when personally delivered to any party or seventy-two (72) hours following deposit of the same in any United States Post Office, first class, postage prepaid, addressed as follows:

County: County of Sacramento  
Department of County Engineering  
827 Seventh Street, Room 304  
Sacramento, CA 95814  
Attn: Robert Davison, Manager of Special Districts

City: City of Elk Grove  
8400 Laguna Palms Way  
Elk Grove, CA 95758  
Attn: Joe Chinn, Finance Administrator

15. Captions. Captions to sections of this Agreement are for convenience purposes only, and are not part of this Agreement.

16. Severability. If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, such portion shall be deemed severed from this Agreement and the remaining parts shall remain in full effect as though such invalid or unenforceable provision had not been a part of this Agreement.

17. Successors and assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

18. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the matters contained herein and may be amended only by subsequent written agreement signed by both parties.

19. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument.



IN WITNESS WHEREOF, the parties have executed this Agreement the day and the year first written above.

COUNTY OF SACRAMENTO



By: Muriel P. Johnson  
Chair, Board of Supervisors

Peggy H. Turner  
Clerk, Board of Supervisors

Approved as to form:

[Signature]  
Supervising Deputy County Counsel

CITY OF ELK GROVE

By: \_\_\_\_\_  
Sophia Scherman, Mayor

Attest:

\_\_\_\_\_  
Peggy Jackson, City Clerk

Approved as to form:

[Signature]  
Anthony Manzanetti, City Attorney

**EXHIBIT A**

**Laguna Projects to be Constructed with CFD Revenues  
(Current Estimated Expenditures)**

Project No.	Summary Description	Est. Engineering and ROW acq.	Estimated Contract/Adm.	Estimated Total	Estimated Construction Timing	
					Est. Start Date	Est. Completion
1	Sheldon Road/SR 99 Interchange (right-of-way acquisition only)	\$11,421,000	\$0	\$11,421,000	January 2005	April 2006
2	Sheldon Road Widening	\$1,080,000	\$2,517,000	\$3,597,000	September 2005	June 2006
3	E.G. Blvd. Frontage-Adj. to Sabrina A-2	\$131,000	\$305,000	\$436,000	May 2005	October 2005
4	E.G. Blvd. Frontage-Adj. to Valley Hi CC	\$300,000	\$702,000	\$1,002,000	May 2005	November 2005
5	Lewis Stein Road Construction	\$379,000	\$886,000	\$1,265,000	April 2005	November 2005
6	Bruceville Frontage-Adj. to Floodplain	\$262,000	\$612,000	\$874,000	July 2005	February 2006
7	Bruceville Frontage-Adj. to Kindercare	\$11,000	\$25,000	\$36,000	May 2005	September 2005
8	Signal at Big Horn Blvd./New Country Dr.	\$0	\$215,000	\$215,000	September 2004	December 2004
9	Signal at Big Horn Blvd./Monterey Oaks Dr.	\$0	\$299,000	\$299,000	July 2004	October 2004
10	Signal at E.G. Blvd./Big Timber Dr.	\$146,000	\$342,000	\$488,000	July 2005	October 2005
	<b>Total</b>	<b>\$13,730,000</b>	<b>\$5,903,000</b>	<b>\$19,633,000</b>		

**EXHIBIT B**

Fund Transfer Request Form

County of Sacramento  
Laguna Community Facilities District

Request for Transfer of Funds

The City of Elk Grove (the "City") hereby requests the County of Sacramento (the "County"), pursuant to the Joint Community Facilities Agreement dated \_\_\_\_\_, 2004 (the "Agreement"), between the City and the County, to transfer to the City the total amount of \$\_\_\_\_\_ for the payment of the costs of improvements identified in Exhibit A to the Agreement and as more fully described in Schedule 1 hereto. (Capitalized terms used herein shall have the meanings ascribed thereto in the Agreement.)

In connection with this request for transfer of funds, the undersigned hereby represents and warrants to the County as follows:

1. The person executing this request on behalf of the City is duly authorized to do so and is knowledgeable as to the matters set forth herein.
2. The amounts requested are for [land acquisition, engineering, and other preliminary project costs] [and] [the prices bid by the successful bidders or otherwise determined in accordance with law for the contracts] [and] [administrative costs] for the Facilities described in Schedule 1 and are within the costs for such Facilities included on Exhibit A to the Agreement.
3. Attached hereto are copies of the bid prices or other evidence of cost that are in sufficient detail to allow the County to verify the land acquisition, engineering, contract, and/or administrative and other project-related costs of the Facilities for which transfer of funds is requested.
4. The City is in compliance with the terms and provisions of the Agreement.

I hereby declare under penalty of perjury that the above representations and warranties are true and correct.

Date: \_\_\_\_\_

CITY OF ELK GROVE

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

**JOINT COMMUNITY FACILITIES AGREEMENT  
BETWEEN THE COUNTY OF SACRAMENTO  
AND THE CITY OF ELK GROVE**

**LAGUNA CREEK RANCH/ELLIOTT RANCH  
COMMUNITY FACILITIES DISTRICT NO. 1  
Improvement Area No. 1 (Laguna Creek Ranch)  
(Laguna West)**

This Joint Community Facilities Agreement (the "Agreement") is entered into as of \_\_\_\_\_, 2004, by and between the County of Sacramento (the "County"), a political subdivision of the State of California, acting on behalf of the Laguna Creek Ranch/Elliott Ranch Community Facilities District No. 1 (the "District") Improvement Area No. 1 (Laguna Creek Ranch) (the "Improvement Area") of, and the City of Elk Grove (the "City"), a California municipal corporation.

**RECITALS**

**WHEREAS**, on July 10, 1990, the Board of Supervisors of the County (the "Board of Supervisors") adopted Resolution No. 90-1231 establishing the District pursuant to the Mello-Roos Community Facilities Act of 1982 (Government Code Sections 53311 *et seq.*, hereinafter the "Act") and setting forth the types of public facilities to be provided, financed and acquired by the District;

**WHEREAS**, pursuant to Resolution No. 90-1497, adopted on August 28, 1990, as amended and restated by Resolution No. 90-2101, adopted on December 5, 1990, as supplemented by Resolution No. 90-2102, adopted on December 5, 1990 (the "Bond Resolution"), the Board of Supervisors authorized the issuance of special tax bonds (the "Bonds") to finance public facilities for the Improvement Area;

**WHEREAS**, on May 25, 2004, the Board of Supervisors approved a revised list of remaining improvement projects envisioned by the Laguna Creek Ranch/Elliott Ranch Public Facilities Financing Plan that are included within the facilities described in the original Notice of Special Tax Authorization of the District, which list includes roadway and transit facilities (roads, freeway interchanges, railroad overcrossings, traffic signals, landscaping improvements along roadways, park and ride facilities, and all necessary appurtenances thereto);

**WHEREAS**, the City intends to design, construct, and install authorized roadway and transit facilities serving the Improvement Area, consisting of the facilities (the "Facilities") listed in Exhibit A, attached hereto and incorporated herein by reference;

**WHEREAS**, the parties hereto intend to finance a portion of the cost of the Facilities by allocating a portion of the Improvement Area Bond proceeds and special tax funds in accordance with the terms of this Agreement and pursuant to the Act;

**WHEREAS**, Section 53316.2(a) of the Act provides that a public entity may use a community facilities district ("CFD") to finance facilities owned by an entity other than

the agency that forms the CFD, but only pursuant to a joint community facilities agreement or joint exercise of powers agreement;

**WHEREAS**, Section 53316.2(d) of the Act authorizes the legislative bodies of two or more local agencies to enter into a joint community facilities agreement after formation of the CFD if the legislative body of each entity determines that such a joint agreement is necessary to allow an orderly transition of governmental facilities and finances in the case of a change in governmental organization;

**WHEREAS**, for purposes of the Act and this Agreement, the Board of Supervisors is the legislative body of the County; and the Elk Grove City Council (the “City Council”) is the legislative body of the City;

**WHEREAS**, the Board of Supervisors and the City Council have, prior to the execution of this Agreement, duly considered the contents of this Agreement and have each determined that the execution of this Agreement is necessary to allow an orderly transition of governmental facilities and finances in the case of a change in governmental organization; and

**WHEREAS**, by this Agreement, the County and the City desire to set forth their intent and their agreements with respect to the use of special tax funds and bond proceeds and construction and ownership of the Facilities;

**NOW, THEREFORE**, in consideration of the mutual promises contained herein, the parties agree as follows:

1. Recitals. Each of the above recitals is incorporated herein and is true and correct.
2. Facilities. The City intends to design and construct the facilities described in Exhibit A attached hereto and incorporated herein by reference.
3. Design, Construction and Ownership of Facilities. The City shall prepare (a) design plans and specifications for the Facilities that conform to the City Standard Construction Specifications and Improvement Standards and (b) an itemized budget for the design, construction and acquisition of the Facilities. The City shall obtain all necessary permits and approvals required for construction of the Facilities. The County and the City agree that the Facilities shall be constructed pursuant to all applicable public works statutes and in compliance with the applicable requirements of the California Environmental Quality Act, the Public Contract Code, the Labor Code, and the Act. The City shall solely own and operate the Facilities that it constructs.
4. Improvement Fund. The County holds Bond proceeds and special tax funds for the payment of the cost of authorized Improvement Area improvements in an account or accounts established pursuant to the Bond Resolution (hereinafter referred to as the “Improvement Fund”). The County hereby agrees that it shall encumber Available Funds in the Improvement Fund up to the amount shown on Exhibit A for the purpose of transferring such amount to the City for the payment of the costs of the Facilities

that the City will construct, in accordance with the terms of this Agreement. "Available Funds" shall mean funds remaining in the Improvement Fund after the administrative costs of the Improvement Area and the District and any other outstanding Improvement Area project costs are paid.

5. Disbursement of Bond Proceeds and Special Tax Funds.

(a) Disbursements for Costs. Upon or subsequent to incurring land acquisition, engineering, other preliminary project costs (including cost of environmental evaluation), the City may submit a funds transfer request to the County in the form attached as Exhibit B for the amounts identified in Exhibit A in the column titled "Est. Engineering and ROW acq.". Upon or subsequent to incurring administrative costs or receiving bids or entering into a construction contract with respect to a Facility, the City may submit a funds transfer request to the County in the form attached as Exhibit B for the amounts identified in Exhibit A in the column titled "Est. Contract/Adm.". Within thirty (30) days of its receipt of a request, the County shall pay or cause to be paid to the City the amount requested from Available Funds in the Improvement Fund, but only to the extent that the total of the amount requested plus the amounts previously transferred by the County to the City with respect to the Facility does not exceed the amount shown in Exhibit A for the Facility. The County shall not be responsible to the City for costs incurred by the City as a result of late payments.

(b) Budget Overruns and Underruns. If the actual costs of construction of an improvement and the related land, engineering, administrative and other costs exceed the amount budgeted in Exhibit A, the County shall reimburse the City for the additional amount from Available Funds in the Improvement Fund, once all of the projects identified in Exhibit A have been completed and provided that the total cost of all projects, including the additional amount, is less than or equal to the total cost identified in Exhibit A. When a construction project has been completed, if the amount actually expended for the improvements was less than the amount transferred by the County to the City for the costs of the improvements, the City shall transfer the excess amount, including interest earned, to the County for deposit into the Improvement Fund.

6. Use of Funds; Tax Covenant. The City shall use funds transferred to it from the Improvement Fund exclusively to pay the cost of (a) design of the Facilities, (b) acquisition of necessary rights-of-way for the Facilities, (c) construction and installation of the Facilities, and (d) administration of the construction of the Facilities. The City agrees that it will comply with all legal requirements for the expenditure of tax funds and bond proceeds under the Act and investment and expenditure of bond proceeds under the Internal Revenue Code of 1986, as amended. The City will, upon request, provide to the County any information needed to calculate the County's arbitrage rebate obligations with respect to the Improvement Area. The City shall account for the expenditure of the funds according to generally accepted governmental accounting practices.

7. County Liability Limited to Taxes and Bond Proceeds. The obligations arising from this Agreement are not a debt of the County, nor a legal or equitable pledge, charge, lien, or encumbrance upon any of its property or upon any of its income, receipts, or revenues, except the revenues of the Improvement Area arising from the receipt of proceeds of bond sales of the Improvement Area and the receipt of special taxes or charges collected solely for the benefit of the Improvement Area for the Facilities. Neither the General Fund nor any other fund of the County except as previously described above, shall be liable for payment of any obligations arising from this Agreement. Neither the credit nor the general taxing power of the County is pledged for the payment of any obligations arising from this Agreement. The City shall not compel the forfeiture of any of the County's property to satisfy any obligations arising from this Agreement.
8. Debt Service. The City's obligations hereunder shall be limited to the obligations assumed by it with respect to the Facilities. The City shall have no obligation or responsibility whatsoever for the payment of principal and interest on the Bonds or for the levy of the special taxes required to provide debt service. The County shall have the sole responsibility in such matters.
9. No Separate Entity. The parties do not intend to form a separate joint exercise of powers authority by this Agreement; instead, the parties intend that the Board of Supervisors act on behalf of the County on all matters for which the County is responsible under the Act and this Agreement, and that the City Council act on behalf of the City in all matters for which it is responsible under this Agreement. Whenever approval of County and the City is required under the Act or this Agreement, the parties contemplate that such action be submitted to the Board of Supervisors or the City Council for approval by resolution, or to the officer to whom approval authority has been delegated, prior to the parties taking such action.
10. No Third Party Beneficiaries. The County enters into no contract or agreement with any construction contractor by entering into this Agreement nor is any such contractor a third party beneficiary of this Agreement and the County shall have no duty or obligation to pay any contractor for any work that the contractor has done pursuant to plans and specifications or contracts referred to in this Agreement.
11. Insurance. The City shall furnish to the County a certificate or certificates substantiating the fact that it has taken out the insurance hereinafter set forth for the period covered by this Agreement with an insurance carrier acceptable to the County in a form satisfactory to the County. Each certificate shall bear an endorsement precluding the cancellation or reduction in coverage of any policy covered by such certificate before the expiration of thirty (30) days after the County shall have received notification of such cancellation or reduction by registered mail. The minimum insurance coverage to be obtained by the City is as follows:

Public liability and property damage insurance that includes, but is not limited to, personal injury; property damage; losses related to independent contractors, products and equipment; and explosion, collapse and

underground hazards, in the amount of not less than a combined single limit of \$1,000,000, for one or more persons injured and property damaged in each occurrence. The public liability and property damage insurance shall also name as an insured, as an additional insured, the County. This insurance shall directly protect the County as well as the City and its agents. The insurer shall assume the defense of the County, its officers, employees, and agents from all suits, actions damages, or claims of every type and description to which they may be subjected or put by reason of, or resulting from, the City's operations in regard to the construction, installation, operation or existence of the Facilities. The insurance policies shall expressly state that the above terms are in effect.

Each policy of insurance shall specify that (1) the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the overages afforded shall apply as though separate policies had been issued to each insured, and that (2) it acts as primary insurance and that no insurance held or owned by the County shall be called upon to cover either in full or part any loss covered under the policy acquired by the City.

If the City fails to maintain such insurance, the County may take out insurance to cover damages of the above-mentioned classes for which the County might be held liable on account of the City's failing to pay such damages, and may recover the amount of the premiums for such Agreement. Failure of the County to obtain such insurance shall in no way relieve the City from any of its responsibilities under this Agreement.

## 12. Indemnification.

(a) By the County. County shall, to the full extent permitted by law, indemnify, defend and hold the City, and its officers, employees, agents and contractors harmless from and against any and all liabilities, losses, claims, damages, and expenses in connection therewith, including attorneys fees and expenses, arising out of or as a result of the levy and collection of the special taxes and the administration of the Bonds and Bond proceeds.

(b) By the City. The City shall, to the full extent permitted by law, indemnify, defend and hold County, and its officers, employees, agents and contractors harmless from and against any and all liabilities, obligations, losses, claims, damages and expenses in connection therewith, including attorneys fees and expenses, arising out of or as a result of the acquisition, construction, or operation and maintenance of the Facilities.

## 13. Termination. This Agreement shall terminate upon the earliest occurrence of the following events: (a) the dissolution of the District pursuant to section 53338.5 of the Act; or (b) all of the Facilities described in Exhibit A have been funded and completed; or (c) the written agreement of County and the City to terminate this Agreement. Notwithstanding the foregoing, this Agreement shall remain in full force and effect for as long as any Bonds are outstanding.



14. Notice. Any notice, payment or instrument required or permitted by this Agreement to any party shall be deemed to have been received when personally delivered to any party or seventy-two (72) hours following deposit of the same in any United States Post Office, first class, postage prepaid, addressed as follows:

County: County of Sacramento  
Department of County Engineering  
827 Seventh Street, Room 304  
Sacramento, CA 95814  
Attn: Robert Davison, Manager of Special Districts

City: City of Elk Grove  
8400 Laguna Palms Way  
Elk Grove, CA 95758  
Attn: Joe Chinn, Finance Administrator

15. Captions. Captions to sections of this Agreement are for convenience purposes only, and are not part of this Agreement.

16. Severability. If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, such portion shall be deemed severed from this Agreement and the remaining parts shall remain in full effect as though such invalid or unenforceable provision had not been a part of this Agreement.

17. Successors and assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

18. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the matters contained herein and may be amended only by subsequent written agreement signed by both parties.

19. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument.

**IN WITNESS WHEREOF**, the parties have executed this Agreement the day and the year first written above.

COUNTY OF SACRAMENTO

By: \_\_\_\_\_  
Chair, Board of Supervisors

Attest:

\_\_\_\_\_  
Clerk, Board of Supervisors

Approved as to form:

\_\_\_\_\_  
Supervising Deputy County Counsel

CITY OF ELK GROVE

By: \_\_\_\_\_  
Sophia Scherman, Mayor

Attest:

\_\_\_\_\_  
Peggy Jackson, City Clerk

Approved as to form:

\_\_\_\_\_  
Anthony Manzanetti, City Attorney

**EXHIBIT B**

**Fund Transfer Request Form**

County of Sacramento  
Laguna Creek Ranch/Elliott Ranch  
Community Facilities District No. 1  
Improvement Area No. 1 (Laguna Creek Ranch)  
(Laguna West)

Request for Transfer of Funds

The City of Elk Grove (the "City") hereby requests the County of Sacramento (the "County"), pursuant to the Joint Community Facilities Agreement dated \_\_\_\_\_, 2004 (the "Agreement"), between the City and the County, to transfer to the City the total amount of \$\_\_\_\_\_ for the payment of the costs of improvements identified in Exhibit A to the Agreement and as more fully described in Schedule 1 hereto. (Capitalized terms used herein shall have the meanings ascribed thereto in the Agreement.)

In connection with this request for transfer of funds, the undersigned hereby represents and warrants to the County as follows:

1. The person executing this request on behalf of the City is duly authorized to do so and is knowledgeable as to the matters set forth herein.
2. The amounts requested are for [land acquisition, engineering, and other preliminary project costs] [and] [the prices bid by the successful bidders or otherwise determined in accordance with law for the contracts] [and] [administrative costs] for the Facilities described in Schedule 1 and are within the costs for such Facilities included on Exhibit A to the Agreement.
3. Attached hereto are copies of the bid prices or other evidence of cost that are in sufficient detail to allow the County to verify the land acquisition, engineering, contract, and/or administrative and other project-related costs of the Facilities for which transfer of funds is requested.
4. The City is in compliance with the terms and provisions of the Agreement.

I hereby declare under penalty of perjury that the above representations and warranties are true and correct.

Date: \_\_\_\_\_

CITY OF ELK GROVE

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

**EXHIBIT A**

**Laguna West Projects to be Constructed with CFD Revenues  
(Current Estimated Expenditures)**

Project No.	Summary Description	Est. Engineering and ROW acq.	Estimated Contract/Adm.	Estimated Total	Estimated Construction Timing	
					Est. Start Date	Est. Completion
1	Park and Ride Project (at Apple Computer)	<b>\$72,000</b>	<b>\$169,500</b>	<b>\$241,500</b>	June 2006	December 2006
2	Harbour Point Drive Landscape Median	<b>\$165,000</b>	<b>\$385,000</b>	<b>\$550,000</b>	July 2005	October 2005
3	Signal at Renwick Ave./Harbour Point Drive	<b>\$62,000</b>	<b>\$146,000</b>	<b>\$208,000</b>	June 2005	September 2005
4	Signal at Galen Drive/Harbour Point Drive	<b>\$62,000</b>	<b>\$146,000</b>	<b>\$208,000</b>	June 2005	September 2005
5	Rubberized Asphalt Overlay at Laguna Boulevard at UPRR Overcrossing	<b>\$87,000</b>	<b>\$203,000</b>	<b>\$290,000</b>	August 2005	September 2005
6	Maintenance Repair of the Laguna Blvd./I-5 Interchange Exit Ramp	<b>\$0</b>	<b>\$50,000</b>	<b>\$50,000</b>	September 2005	September 2005
7	Sidewalk Repair on Laguna Boulevard at the UPRR Overcrossing	<b>\$31,000</b>	<b>\$73,000</b>	<b>\$104,000</b>	May 2005	July 2005
	<b>Total</b>	<b>\$479,000</b>	<b>\$1,172,500</b>	<b>\$1,651,500</b>		

**JOINT COMMUNITY FACILITIES AGREEMENT  
BETWEEN THE COUNTY OF SACRAMENTO  
AND THE CITY OF ELK GROVE**

**LAGUNA CREEK RANCH/ELLIOTT RANCH  
COMMUNITY FACILITIES DISTRICT NO. 1  
Improvement Area No. 2 (Elliott Ranch)  
(Lakeside)**

This Joint Community Facilities Agreement (the "Agreement") is entered into as of \_\_\_\_\_, 2004, by and between the County of Sacramento (the "County"), a political subdivision of the State of California, acting on behalf of the Laguna Creek Ranch/Elliott Ranch Community Facilities District No. 1 (the "District"), Improvement Area No. 2 (Elliott Ranch) (the "Improvement Area"), and the City of Elk Grove (the "City"), a California municipal corporation.

**RECITALS**

**WHEREAS**, on July 10, 1990, the Board of Supervisors of the County (the "Board of Supervisors") adopted Resolution No. 90-1231 establishing the District pursuant to the Mello-Roos Community Facilities Act of 1982 (Government Code Sections 53311 *et seq.*, hereinafter the "Act") and setting forth the types of public facilities to be provided, financed and acquired by the District;

**WHEREAS**, pursuant to Resolution No. 90-1497, adopted on August 28, 1990, as amended and restated by Resolution No. 90-2101, adopted on December 5, 1990, as supplemented by Resolution No. 91-1284, adopted on August 6, 1991 (the "Bond Resolution"), the Board of Supervisors authorized the issuance of special tax bonds (the "Bonds") to finance public facilities for the Improvement Area;

**WHEREAS**, on April 22, 2003, among other actions, the Board of Supervisors approved a revised list of remaining improvement projects envisioned by the Laguna Creek Ranch/Elliott Ranch Public Facilities Financing Plan that are included within the facilities described in the original Notice of Special Tax Authorization of the District, which list includes roadway and transit facilities (roads, freeway interchanges, railroad overcrossings, traffic signals, landscaping improvements along roadways, park and ride facilities, and all necessary appurtenances thereto);

**WHEREAS**, the City intends to design, construct, and install authorized roadway and transit facilities serving the Improvement Area, consisting of the facilities (the "Facilities") listed in Exhibit A, attached hereto and incorporated herein by reference;

**WHEREAS**, the parties hereto intend to finance a portion of the cost of the Facilities by allocating a portion of the Improvement Area Bond proceeds and special tax funds in accordance with the terms of this Agreement and pursuant to the Act;

**WHEREAS**, Section 53316.2(a) of the Act provides that a public entity may use a community facilities district ("CFD") to finance facilities owned by an entity other than

the agency that forms the CFD, but only pursuant to a joint community facilities agreement or joint exercise of powers agreement;

**WHEREAS**, Section 53316.2(d) of the Act authorizes the legislative bodies of two or more local agencies to enter into a joint community facilities agreement after formation of the CFD if the legislative body of each entity determines that such a joint agreement is necessary to allow an orderly transition of governmental facilities and finances in the case of a change in governmental organization;

**WHEREAS**, for purposes of the Act and this Agreement, the Board of Supervisors is the legislative body of the County; and the Elk Grove City Council (the “City Council”) is the legislative body of the City;

**WHEREAS**, the Board of Supervisors and the City Council have, prior to the execution of this Agreement, duly considered the contents of this Agreement and have each determined that the execution of this Agreement is necessary to allow an orderly transition of governmental facilities and finances in the case of a change in governmental organization; and

**WHEREAS**, by this Agreement, the County and the City desire to set forth their intent and their agreements with respect to the use of special tax funds and bond proceeds and construction and ownership of the Facilities;

**NOW, THEREFORE**, in consideration of the mutual promises contained herein, the parties agree as follows:

1. Recitals. Each of the above recitals is incorporated herein and is true and correct.
2. Facilities. The City intends to design and construct the facilities described in Exhibit A attached hereto and incorporated herein by reference.
3. Design, Construction and Ownership of Facilities. The City shall prepare (a) design plans and specifications for the Facilities that conform to the City Standard Construction Specifications and Improvement Standards and (b) an itemized budget for the design, construction and acquisition of the Facilities. The City shall obtain all necessary permits and approvals required for construction of the Facilities. The County and the City agree that the Facilities shall be constructed pursuant to all applicable public works statutes and in compliance with the applicable requirements of the California Environmental Quality Act, the Public Contract Code, the Labor Code, and the Act. The City shall solely own and operate the Facilities that it constructs.
4. Improvement Fund. The County holds Bond proceeds and special tax funds for the payment of the cost of authorized Improvement Area improvements in an account or accounts established pursuant to the Bond Resolution (hereinafter referred to as the “Improvement Fund”). The County hereby agrees that it shall encumber Available Funds in the Improvement Fund up to the amount shown on Exhibit A for the purpose of transferring such amount to the City for the payment of the costs of the Facilities

that the City will construct, in accordance with the terms of this Agreement. "Available Funds" shall mean funds remaining in the Improvement Fund after the administrative costs of the Improvement Area and the District and any other outstanding Improvement Area project costs are paid.

5. Disbursement of Bond Proceeds and Special Tax Funds.

(a) Disbursements for Costs. Upon or subsequent to incurring land acquisition, engineering, other preliminary project costs (including cost of environmental evaluation), the City may submit a funds transfer request to the County in the form attached as Exhibit B for the amounts identified in Exhibit A in the column titled "Est. Engineering and ROW acq.". Upon or subsequent to incurring administrative costs or receiving bids or entering into a construction contract with respect to a Facility, the City may submit a funds transfer request to the County in the form attached as Exhibit B for the amounts identified in Exhibit A in the column titled "Est. Contract/Adm.". Within thirty (30) days of its receipt of a request, the County shall pay or cause to be paid to the City the amount requested from Available Funds in the Improvement Fund, but only to the extent that the total of the amount requested plus the amounts previously transferred by the County to the City with respect to the Facility does not exceed the amount shown in Exhibit A for the Facility. The County shall not be responsible to the City for costs incurred by the City as a result of late payments.

(b) Budget Overruns and Underruns. If the actual costs of construction of an improvement and the related land, engineering, administrative and other costs exceed the amount budgeted in Exhibit A, the County shall reimburse the City for the additional amount from Available Funds in the Improvement Fund, once all of the projects identified in Exhibit A have been completed and provided that the total cost of all projects, including the additional amount, is less than or equal to the total cost identified in Exhibit A. When a construction project has been completed, if the amount actually expended for the improvements was less than the amount transferred by the County to the City for the costs of the improvements, the City shall transfer the excess amount, including interest earned, to the County for deposit into the Improvement Fund.

6. Use of Funds; Tax Covenant. The City shall use funds transferred to it from the Improvement Fund exclusively to pay the cost of (a) design of the Facilities, (b) acquisition of necessary rights-of-way for the Facilities, (c) construction and installation of the Facilities, and (d) administration of the construction of the Facilities. The City agrees that it will comply with all legal requirements for the expenditure of tax funds and bond proceeds under the Act and investment and expenditure of bond proceeds under the Internal Revenue Code of 1986, as amended. The City will, upon request, provide to the County any information needed to calculate the County's arbitrage rebate obligations with respect to the Improvement Area. The City shall account for the expenditure of the funds according to generally accepted governmental accounting practices.

7. County Liability Limited to Taxes and Bond Proceeds. The obligations arising from this Agreement are not a debt of the County, nor a legal or equitable pledge, charge, lien, or encumbrance upon any of its property or upon any of its income, receipts, or revenues, except the revenues of the Improvement Area arising from the receipt of proceeds of bond sales of the Improvement Area and the receipt of special taxes or charges collected solely for the benefit of the Improvement Area for the Facilities. Neither the General Fund nor any other fund of the County except as previously described above, shall be liable for payment of any obligations arising from this Agreement. Neither the credit nor the general taxing power of the County is pledged for the payment of any obligations arising from this Agreement. The City shall not compel the forfeiture of any of the County's property to satisfy any obligations arising from this Agreement.
8. Debt Service. The City's obligations hereunder shall be limited to the obligations assumed by it with respect to the Facilities. The City shall have no obligation or responsibility whatsoever for the payment of principal and interest on the Bonds or for the levy of the special taxes required to provide debt service. The County shall have the sole responsibility in such matters.
9. No Separate Entity. The parties do not intend to form a separate joint exercise of powers authority by this Agreement; instead, the parties intend that the Board of Supervisors act on behalf of the County on all matters for which the County is responsible under the Act and this Agreement, and that the City Council act on behalf of the City in all matters for which it is responsible under this Agreement. Whenever approval of County and the City is required under the Act or this Agreement, the parties contemplate that such action be submitted to the Board of Supervisors or the City Council for approval by resolution, or to the officer to whom approval authority has been delegated, prior to the parties taking such action.
10. No Third Party Beneficiaries. The County enters into no contract or agreement with any construction contractor by entering into this Agreement nor is any such contractor a third party beneficiary of this Agreement and the County shall have no duty or obligation to pay any contractor for any work that the contractor has done pursuant to plans and specifications or contracts referred to in this Agreement.
11. Insurance. The City shall furnish to the County a certificate or certificates substantiating the fact that it has taken out the insurance hereinafter set forth for the period covered by this Agreement with an insurance carrier acceptable to the County in a form satisfactory to the County. Each certificate shall bear an endorsement precluding the cancellation or reduction in coverage of any policy covered by such certificate before the expiration of thirty (30) days after the County shall have received notification of such cancellation or reduction by registered mail. The minimum insurance coverage to be obtained by the City is as follows:

Public liability and property damage insurance that includes, but is not limited to, personal injury; property damage; losses related to independent contractors, products and equipment; and explosion, collapse and



underground hazards, in the amount of not less than a combined single limit of \$1,000,000, for one or more persons injured and property damaged in each occurrence. The public liability and property damage insurance shall also name as an insured, as an additional insured, the County. This insurance shall directly protect the County as well as the City and its agents. The insurer shall assume the defense of the County, its officers, employees, and agents from all suits, actions damages, or claims of every type and description to which they may be subjected or put by reason of, or resulting from, the City's operations in regard to the construction, installation, operation or existence of the Facilities. The insurance policies shall expressly state that the above terms are in effect.

Each policy of insurance shall specify that (1) the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the overages afforded shall apply as though separate policies had been issued to each insured, and that (2) it acts as primary insurance and that no insurance held or owned by the County shall be called upon to cover either in full or part any loss covered under the policy acquired by the City.

If the City fails to maintain such insurance, the County may take out insurance to cover damages of the above-mentioned classes for which the County might be held liable on account of the City's failing to pay such damages, and may recover the amount of the premiums for such Agreement. Failure of the County to obtain such insurance shall in no way relieve the City from any of its responsibilities under this Agreement.

## 12. Indemnification.

(a) By the County. County shall, to the full extent permitted by law, indemnify, defend and hold the City, and its officers, employees, agents and contractors harmless from and against any and all liabilities, losses, claims, damages, and expenses in connection therewith, including attorneys fees and expenses, arising out of or as a result of the levy and collection of the special taxes and the administration of the Bonds and Bond proceeds.

(b) By the City. The City shall, to the full extent permitted by law, indemnify, defend and hold County, and its officers, employees, agents and contractors harmless from and against any and all liabilities, obligations, losses, claims, damages and expenses in connection therewith, including attorneys fees and expenses, arising out of or as a result of the acquisition, construction, or operation and maintenance of the Facilities.

13. Termination. This Agreement shall terminate upon the earliest occurrence of the following events: (a) the dissolution of the District pursuant to section 53338.5 of the Act; or (b) all of the Facilities described in Exhibit A have been funded and completed; or (c) the written agreement of County and the City to terminate this Agreement. Notwithstanding the foregoing, this Agreement shall remain in full force and effect for as long as any Bonds are outstanding.

14. Notice. Any notice, payment or instrument required or permitted by this Agreement to any party shall be deemed to have been received when personally delivered to any party or seventy-two (72) hours following deposit of the same in any United States Post Office, first class, postage prepaid, addressed as follows:

County: County of Sacramento  
Department of County Engineering  
827 Seventh Street, Room 304  
Sacramento, CA 95814  
Attn: Robert Davison, Manager of Special Districts

City: City of Elk Grove  
8400 Laguna Palms Way  
Elk Grove, CA 95758  
Attn: Joe Chinn, Finance Administrator

15. Captions. Captions to sections of this Agreement are for convenience purposes only, and are not part of this Agreement.

16. Severability. If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, such portion shall be deemed severed from this Agreement and the remaining parts shall remain in full effect as though such invalid or unenforceable provision had not been a part of this Agreement.

17. Successors and assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

18. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the matters contained herein and may be amended only by subsequent written agreement signed by both parties.

19. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument.

**IN WITNESS WHEREOF**, the parties have executed this Agreement the day and the year first written above.

COUNTY OF SACRAMENTO

By: \_\_\_\_\_  
Chair, Board of Supervisors

Attest:

\_\_\_\_\_  
Clerk, Board of Supervisors

Approved as to form:

\_\_\_\_\_  
Supervising Deputy County Counsel

CITY OF ELK GROVE

By: \_\_\_\_\_  
Sophia Scherman, Mayor

Attest:

\_\_\_\_\_  
Peggy Jackson, City Clerk

Approved as to form:

\_\_\_\_\_  
Anthony Manzanetti, City Attorney

**EXHIBIT A**

**Lakeside Projects to be Constructed with CFD Revenues  
(Current Estimated Expenditures)**

Project No.	Summary Description	Est. Engineering and ROW acq.	Estimated Contract/Adm.	Estimated Total	Estimated Construction Timing	
					Est. Start Date	Est. Completion
1	Park & Ride Project (SW corner of Harbour Point Drive and Maritime Drive)	\$45,000	\$104,000	\$149,000	This joint use project on private property will begin when the developer is prepared to build their project	
2	Harbour Point Drive Landscape Median	\$165,000	\$385,000	\$550,000	July 2005	October 2005
	<b>Total</b>	<b>\$210,000</b>	<b>\$489,000</b>	<b>\$699,000</b>		

**EXHIBIT B**

Fund Transfer Request Form

County of Sacramento  
Laguna Creek Ranch/Elliott Ranch  
Community Facilities District No. 1  
Improvement Area No. 2 (Elliott Ranch)  
(Lakeside)

Request for Transfer of Funds

The City of Elk Grove (the "City") hereby requests the County of Sacramento (the "County"), pursuant to the Joint Community Facilities Agreement dated \_\_\_\_\_, 2004 (the "Agreement"), between the City and the County, to transfer to the City the total amount of \$\_\_\_\_\_ for the payment of the costs of improvements identified in Exhibit A to the Agreement and as more fully described in Schedule 1 hereto. (Capitalized terms used herein shall have the meanings ascribed thereto in the Agreement.)

In connection with this request for transfer of funds, the undersigned hereby represents and warrants to the County as follows:

1. The person executing this request on behalf of the City is duly authorized to do so and is knowledgeable as to the matters set forth herein.
2. The amounts requested are for [land acquisition, engineering, and other preliminary project costs] [and] [the prices bid by the successful bidders or otherwise determined in accordance with law for the contracts] [and] [administrative costs] for the Facilities described in Schedule 1 and are within the costs for such Facilities included on Exhibit A to the Agreement.
3. Attached hereto are copies of the bid prices or other evidence of cost that are in sufficient detail to allow the County to verify the land acquisition, engineering, contract, and/or administrative and other project-related costs of the Facilities for which transfer of funds is requested.
4. The City is in compliance with the terms and provisions of the Agreement.

I hereby declare under penalty of perjury that the above representations and warranties are true and correct.

Date: \_\_\_\_\_

CITY OF ELK GROVE

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

**CERTIFICATION  
ELK GROVE CITY COUNCIL RESOLUTION NO. 2004-246**

**STATE OF CALIFORNIA            )**  
**COUNTY OF SACRAMENTO    )**       **ss**  
**CITY OF ELK GROVE         )**

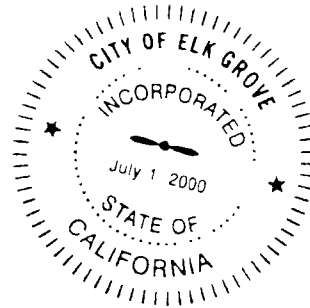
***I, Peggy E. Jackson, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on the 20<sup>th</sup> day of October 2004 by the following vote:***

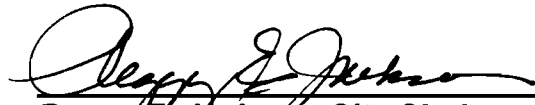
**AYES 4:       COUNCILMEMBERS: Scherman, Soares, Briggs, Leary**

**NOES 0:       COUNCILMEMBERS:**

**ABSTAIN 0: COUNCILMEMBERS:**

**ABSENT 1: COUNCILMEMBERS: Cooper**



  
\_\_\_\_\_  
**Peggy E. Jackson, City Clerk  
City of Elk Grove, California**