RESOLUTION NO. 2021-162

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE APPROVING THE FINAL MAP FOR MENDES PHASE 1 (SUBDIVISION NO. 20-004) AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SUBDIVISION IMPROVEMENT AGREEMENT (CEQA EXEMPT)

WHEREAS, on September 5, 2019, the City Council of the City of Elk Grove (City) approved a Large Lot Tentative Subdivision Map, Small Lot Tentative Subdivision Map, and Design Review for Subdivision Layout for the Mendes Subdivision project (PLNG18-078); and

WHEREAS, on July 22, 2020, the City approved the Mendes Large Lot Final Map (Subdivision No. 20-002); and

WHEREAS, staff has reviewed the Final Map for Mendes Phase 1 (Subdivision No. 20-004) and finds it technically correct and that all applicable Final Map conditions of approval have been satisfied; and

WHEREAS, a Subdivision Improvement Agreement for the Final Map has been approved by the City Attorney and bonds have been posted to the City for the construction of the required improvements; and

WHEREAS, the Final Map is statutorily exempt from the California Environmental Quality Act (CEQA) Statutory Exemptions, Title 14 of the California Code of Regulations Section 15268(b)(3) Ministerial Projects, Approval of Final Subdivision maps, and a Notice of Exemption will be filed with the Sacramento County after the filing of this map.

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

- Finds the location and configuration of the lots to be created by the Final Map for Mendes Phase 1 (Subdivision No. 20-004) substantially comply with the previously-approved Small Lot Tentative Subdivision Map and Large Lot Final Map; and
- Finds the Final Map is statutorily exempt from the California Environmental Quality Act (CEQA), Statutory Exemptions, Title 14 of the California Code of Regulations Section 15268(b)(3) Ministerial projects, Approval of Final Subdivision Maps; and
- Pursuant to Government Code Section 66458, approves the Final Map for Mendes Phase 1 (Subdivision No. 20-004), a copy of which is hereby attached as Exhibit A and made part of this Resolution; and
- 4) Authorizes the City Manager to execute the Subdivision Improvement Agreement for the Final Map and directs the City Clerk to transmit the Final Map to the County Recorder of the County of Sacramento for filing.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 23^{rd} day of June 2021.

BOBBIE SINGH-ALLEN, MAYOR of the CITY OF ELK GROVE

ATTEST:

JASON LINDGREN, CITY CLERK

APPROVED AS TO FORM:

ZA,

JONATHAN P. HOBBS, CITY ATTORNEY

EXHIBIT A

OWNER'S STATEMENT

THE UNDERSIGNED HEREBY CONSENT TO THE PREPARATION AND FILING OF THIS FINAL MAP OF SUBDIVISION NO. 20-004. MENDES PROPERTY PHASE 1 AND OFFERS FOR DEDICATION AND DOES HEREBY DEDICATE THE FOLLOWING:

THE REAL PROPERTY DESCRIBED BELOW IS GRANTED IN FEE SIMPLE TO THE CITY OF ELK GROVE.

LOTS A. B. C. D AND F.

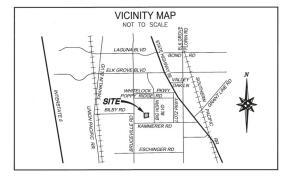
THE REAL PROPERTY DESCRIBED BELOW ARE DEDICATED AS EASEMENTS:

TO THE CITY OF ELK GROVE FOR PUBLIC USE, BILBY ROAD, ANGSLEY DRIVE, JOECY WAY, FENDI WAY, AND SALONI WAY, WITHIN THE BOUNDARIES OF THE MAP SHOWN HEREON FOR PUBLIC STREET PURPOSES, SUBJECT TO IMPROVEMENTS.

AN EASEMENT FOR PUBLIC UTILITY FOR PLANTING AND MAINTAINING TREES, INSTALLATION AND MAINTENANCE OF ELECTROLIERS, TRAFFIC CONTROL DEVICES, WATER AND GAS PIPES, AND FOR UNDERGROUND WIRES AND CONDUITS FOR ELECTRICAL, TELEPHONE AND TELEVISION SERVICES, TOGETHER WITH ANY AND ALL APPURTENANCES PERTAINING THERETO ON, OVER, UNDER AND ACROSS THOSE STRIPS OF LAND LYING ADJACENT TO THE PUBLIC ROAD, DRIVE AND WAYS AS SHOWN HEREON AND DESIGNATED AS "PUBLIC UTILITY EASEMENT" (P.U.E.)

RIGHT OF WAY AND EASEMENTS FOR INSTALLATION AND MAINTENANCE OF A PEDESTRIAN WALKWAY. TOGETHER WITH ANY AND ALL APPURTENANCES PERTAINING THERETO ON, OVER, UNDER AND ACROSS LOTS B, C, D AND E, AND THOSE STRIPS OF LAND SHOWN HEREON AND DESIGNATED "PEDESTRIAN EASEMENT." SAID STRIPS ARE TO BE KEPT OPEN AND FREE FROM BUILDINGS. (P.E.)

THE FOLLOWING IS A DEDICATION OF ACCESS RIGHTS: THE EXCLUSIVE RIGHT OF VEHICULAR INGRESS AND/OR EGRESS IS GRANTED TO THE CITY OF ELK GROVE ACROSS THE LOT LINES SHOWN HEREON AND DESIGNATED "NO INGRESS OR EGRESS RIGHT LINE."(////)



CITY SURVEYOR'S STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS FINAL MAP OF SUBDIVISION NO. 20-004, MENDES PROPERTY PHASE 1, AND FIND IT TO BE TECHNICALLY CORRECT



PETER M. RE LS NO 5963 REGISTRATION EXPIRES: 12-31-2022

DATE:

CITY ENGINEER'S STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS FINAL MAP OF SUBDIVISION NO. 20-004, MENDES PROPERTY PHASE 1 AND FIND THAT IT SUBSTANTIALLY COMPLIES WITH THE TENTATIVE MAP APPROVED BY THE CITY COUNCIL OF THE CITY OF ELK GROVE ON SEPTEMBER 5, 2019 AND ANY APPROVED ALTERATIONS THEREOF; THAT ALL APPLICABLE PROVISIONS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCES HAVE BEEN COMPLIED WITH.



JEFFREY R. WERNER CITY ENGINEER, CITY OF ELK GROVE R.C.E. NO. 79066 EXPIRATION DATE: 3-31-22

CITY CLERK'S STATEMENT

I, JASON LINDGREN, CITY CLERK OF THE CITY OF ELK GROVE, HEREBY STATE THAT THE CITY COUNCIL OF THE CITY OF ELK GROVE HAS APPROVED THIS FINAL MAP OF SUBDIVISION NO. 20-004, MENDES PROPERTY PHASE 1, AND ACCEPTED IN FEE SIMPLE LOTS A, B, C, D AND E, INCLUSIVE, AND ACCEPTED ON BEHALF OF THE PUBLIC, SUBJECT TO IMPROVEMENT, BILBY ROAD, ANGSLEY DRIVE, JOECY WAY, FENDI WAY AND SALONI WAY, FOR PUBLIC STREET PURPOSES, ACCEPTED THE PUBLIC UTILITY EASEMENTS AND PEDESTRIAN EASEMENTS, AND ACCEPTED THE DEDICATION OF THE INGRESS AND EGRESS RIGHTS ALL AS OFFERED HEREON AND DID CERTIFY THE ABANDONMENT OF THE PUBLIC RIGHT OF WAY, PEDESTRIAN WALKWAY, PUBLIC UTILITIES, AND INCIDENTAL PURPOSES NOT SHOWN HEREON.

DATE:



JASON LINDGREN, CITY CLERK CITY OF ELK GROVE, CALIFORNIA

DOCUMENT NO.

DATE

RECORDER'S STATEMENT

FILED THIS M. IN BOOK OF MAPS, AT DAY OF 2021. AT DAGE AT THE REQUEST OF MACKAY & SOMPS CIVIL ENGINEERS, INC. TITLE TO THE LAND INCLUDED IN THIS FINAL MAP BEING VESTED AS PER CERTIFICATE NO. ON FILE IN THIS OFFICE

RECORDER OF SACRAMENTO COUNTY STATE OF CALIFORNIA

FEE: \$ ____

SUBDIVISION NO. 20-004 **MENDES PROPERTY PHASE 1**

A MERGER AND RE-SUBDIVISION OF RESULTANT LOT 4 AND RESULTANT LOT 5 AS DESCRIBED IN THAT CERTAIN (LOT LINE ADJUSTMENT) CERTIFICATE OF COMPLIANCE RECORDED MARCH 4, 2021, AS DOCUMENT NO. 2021030/11480, OFFICIAL RECORDS OF SACRAMENTC OCUMY, LOCASED WITHIN THE NORTHWEST 1/4 OF SECTION 14, TOWNSHIP 6 NORTH, RANGE SEAST, M.D.M.

CITY OF ELK GROVE • SACRAMENTO COUNTY • CALIFORNIA

JUNE 2021

NERS SURVEYORS SHEET 1 OF 8 27175,000

RICHMOND AMERICAN HOMES OF MARYLAND, INC.



NOTARY'S ACKNOWLEDGMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED AND NOT THE TRUTHFULNESS, ACCURACY OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA

COUNTY OF PLACEN

5/26/21 BEFORE ME, J. MILLEN ON . A NOTARY PUBLIC

PERSONALLY APPEARED TAKE THE PERSON OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) EVALUATE SUBSCRIBED TO THE WITHIN INSTRUMENT TAND ACKNOWLEDGED TO ME THAT HEY HEY SEGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE DEPSONGLATED EXECUTED THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE DEPSONGLATED EXECUTED THE INSTRUMENT THE PERSON(S). PERSON(S) ACTED EXECUTED THE INSTRUMENT

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGO PARAGRAPH IS TRUE AND CORRECT



SURVEYOR'S STATEMENT

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF THE KRM INVESTORS, LLC, IN JUNE 2018. I HEREBY STATE THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE MAP; THAT THE MONUMENTS WILL BE OF THE CHARACTER AND WILL OCCUPY THE POSITIONS AS INDICATED AND WILL BE SET BY DECEMBER 31, 2022; AND THAT SAID MONUMENTS WILL BE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED AND TIE NOTES TO ALL CENTERLINE MONUMENTS WILL BE PROVIDED TO THE CITY OF ELK GROVE PRIOR TO THE ABOVE DATE.

THE SUBDIVISION WITHIN THE HEAVY BORDER CONTAINS 20.850+ ACRES CONSISTING OF 102 RESIDENTIAL LOTS AND 5 LETTERED LOTS

MACKAY & SOMPS CIVIL ENGINEERS, INC.



Paul Ferguson PAUL FERGUSON, JR P.L.S. 9265 EXP. MARCH 31, 2022

DATE: MAY 26, 2021

MACKAY & SOMPS

BY:_____ DEPUTY



SIGNATURE OMMISSIONS

THE FOLLOWING SIGNATURES BY LISTED DOCUMENTS HAVE BEEN OMITTED UNDER SECTION 66436 (a) (3) (4) (4) (4) (4) OF THE SUBDIVISION MAP ACT. THEIR INTERST IS SUCH THAT IT CAN NOT RIPEN INTO A FEE TITLE AND SAID SIGNATURES RAR NOT REQUIRED BY THE LOCAL AGENCY:

1. CITY OF ELK GROVE, EASEMENT HOLDER FOR PUBLIC RIGHT OF WAY, PEDESTRIAN WALKWAY, PUBLIC UTILITIES AND INCIDENTAL PURPOSES RECORDED ON SEPTEMBER 22, 2017 IN BOOK 20170922, AT PAGE 1011, OFFICIAL RECORDS OF SACRAMENTO COUNTY.

SUBDIVISION MAP ACT SECTION 66477.5 CERTIFICATE

PURSUANT TO SECTION 66477.5 OF THE SUBBUYISION MAP ACT THE CITY OF ELK GROVE SHALL RECONVEY LOTS A, B, C, D, AND E AS DEDICATED TO THE CITY ON THE MAP OF SUBDIVISION NO. 20-04, MENDES PROPERTY PHASE I, TO THE SUBDIVIDER NAMED BELOW IF THE CITY OF ELK GROVE MAKES A DETERMINATION THAT THE SAME PUBLIC PURPOSE FOR WHICH THE PROPERTY WAS DEDICATED DOES NOT EXIST, OF THE PROPERTY OR ANY PORTION THEREOF IS NOT NEEDED FOR PUBLIC UTILITIES EXCEPT FOR ANY PORTION OF THE PROPERTY THAT IS REQUIRED FOR THE SAME PUBLIC PURPOSE OR PUBLIC UTILITIES.

SUBDIVIDER: RICHMOND AMERICAN HOMES OF MARYLAND, INC.

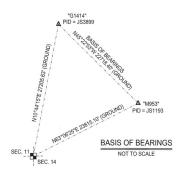
ADDRESS: c/o M.D.C. HOLDINGS INC. 4350 S. MONACO STREET DENVER, CO 80237

NOTES

- ALL CURVE DIMENSIONS ARE RADIUS, DELTA AND ARC LENGTH. ALL DISTANCES SHOWN ARE GROUND DISTANCES AND ARE IN FEET AND DECIMALS THEREOF. DUE TO ROUNDING THE SUM OF INDIVIDUAL DIMENSIONS MAY NOT EQUAL THE OVERALL DIMENSION.
- 2. ALL REAR LOT CORNERS AND ANGLE POINTS WILL BE SET WITH 5/8" REBAR AND PLASTIC CAP STAMPED 'LS 9265'. WHERE A REAR CORNER FALLS WITHIN A MASONRY WALL OR CONCRETE POOTING, A 5/8" REBAR AND PLASTIC CAP STAMPED 'LS 9265' WILL BE SET ON THE SIDE LOT LINE OFFSET 4.00 FEET FROM THE CORNER, OR A 3/4" BRASS TAG WILL BE SET ON THE SIDE OF WALL 20 FOOT ABVOY GROUND OR ON TOP OF WALL WHERE AN OFFSET MONUMERT CAN NOT BE SET. ALL FRONT LOT CORNERS WITH ATTACHED SIDEWALK WILL BE SET WITH A 1.00 FOOT PROJECTION OF THE SIDE LOT LINE IN THE SIDEWALK WHERE SIDEWALK IS DETACHED FRONT CORNERS WILL BE SET ON THE SIDE LOT LINE WITH AN 8.00 FOOT OFFSET FROM THE PROPERTY CORNERS WILL BE SET ON THE SIDE LOT LINE WITH AN 8.00 FOOT OFFSET FROM THE PROPERTY CORNER THE SIDEWALK WITH A 1'DAMPETER BRASS DISC STAMPED 'LS 9265'.
- THIS FINAL MAP CONTAINS 20.850± ACRES GROSS CONSISTING OF 102 RESIDENTIAL LOTS AND 5 LETTERED LOTS.
- AGRICULTURAL PROPERTIES AND USES SURROUNDING THIS PROPERTY MAY CONTINUE IN PERPETUITY, SUBJECT TO THE PROVISIONS OF THE CITY'S ADOPTED RIGHT-TO-FARM ORDINANCE. A "DISCLOSURE STATEMENT WILL BE PROVIDED TO ALL POTENTIAL BUYERS PRIOR TO THE SALE OF THE LOTS.
- A GEOTECHNICAL ENGINEERING STUDY REPORT WAS PREPARED BY GEOCON CONSULTANTS, INC DATED: AUGUST 2018, GEOCON PROJECT NO. S1578-05-02.
- PURSUANT TO SECTION 66434 (G) OF THE SUBDIVISION MAP ACT, THE FILING OF THIS FINAL MAP CONSTITUTES ABANDONMENT OF THAT PORTION OF THE FASEMENTS AND IRREVOCABLE OFFER OF DEDICATION LISTED BELOW, NOT SHOWN HEREON, THAT FALL WITHIN THE SUBJECT PROPERTY.
- A. THE PUBLIC RIGHT OF WAY, PEDESTRIAN WALKWAY, PUBLIC UTILITIES AND INCIDENTAL PURPOSES RECORDED ON SEPTEMBER 22, 2017 IN BOOK 20170922 AT PAGE 1011, OFFICIAL RECORDS OF SACRAMENTO COUNTY.
- B. THE IRREVOCABLE OFFER OF DEDICATION PER 421 B.M. 5.

BASIS OF BEARINGS

THE BASIS OF BEARINGS FOR THIS SURVEY IS THE CALIFORNIA STATE PLANE COORDINATE SYSTEM, ZONE 2, NAD 83, (EPOCH DA'TE 1997 30) AS MEASURED BETWEEN NGS STATION "M953" AND NGS STATION "CIA14" SAID BEARING IS MAS'ZESTWU DISTANCES SHOWN HEREON ARE GROUND BASED. TO CONVERT FROM GROUND TO GRID, APPLY A COMBINED SCALE FACTOR OF 0.999901477 ABOUT 0.0.



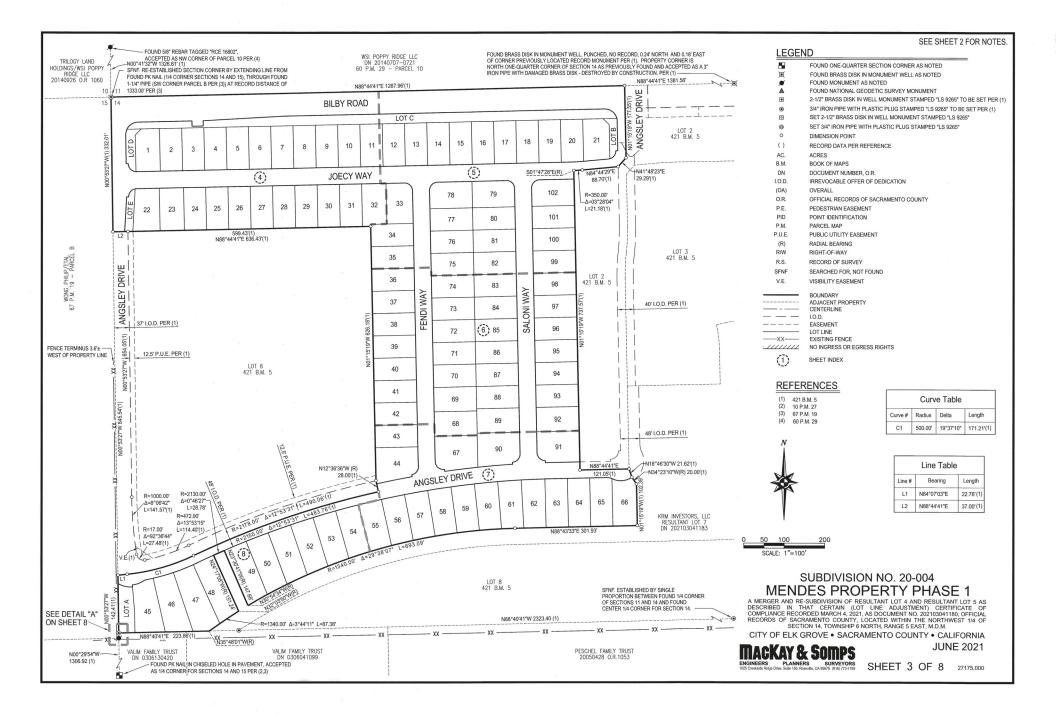
SUBDIVISION NO. 20-004 MENDES PROPERTY PHASE 1 MERGER AND RE-SUBDIVISION OF RESULTANT LOT 4 AND RESULTANT LOT

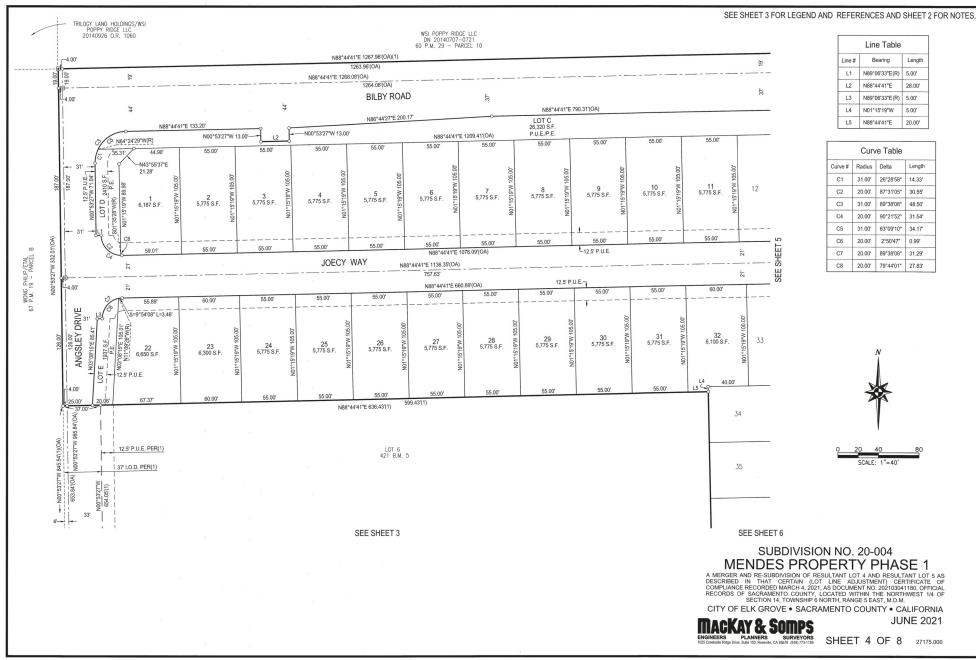
A MERGER AND RE-SUBDIVISION OF RESULTANT LOT 4 AND RESULTANT LOT 5 AS DESCRIBED IN THAT CERTAIN (LOT LINE ADJUSTMENT) CERTIFICATE OF COMPLIANCE RECORDED MARCH 4, 2021, AS DOCUMENT NO. 2021030/1140, OFFICIAL RECORDS OF SACRAMENTO COUNTY, LOCATED WITHIN THE NORTHWEST 1/4 OF SECTION 14, TOWNSHIP 6 NORTH, RANGE SEAST, M.D.M.

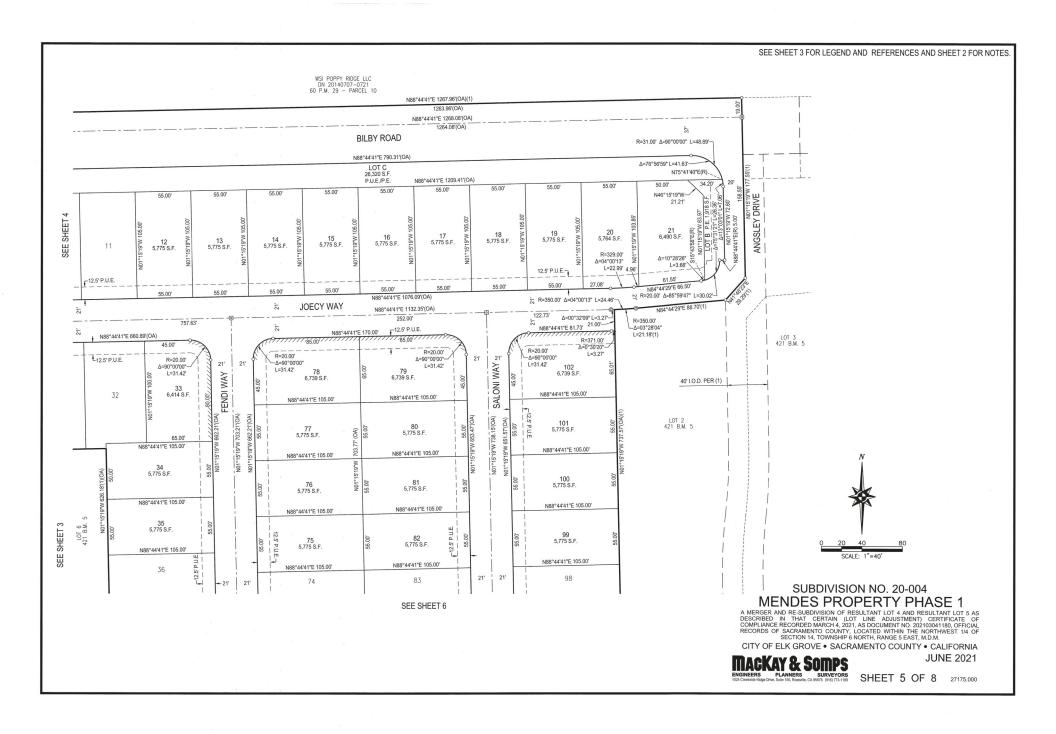
CITY OF ELK GROVE • SACRAMENTO COUNTY • CALIFORNIA JUNE 2021

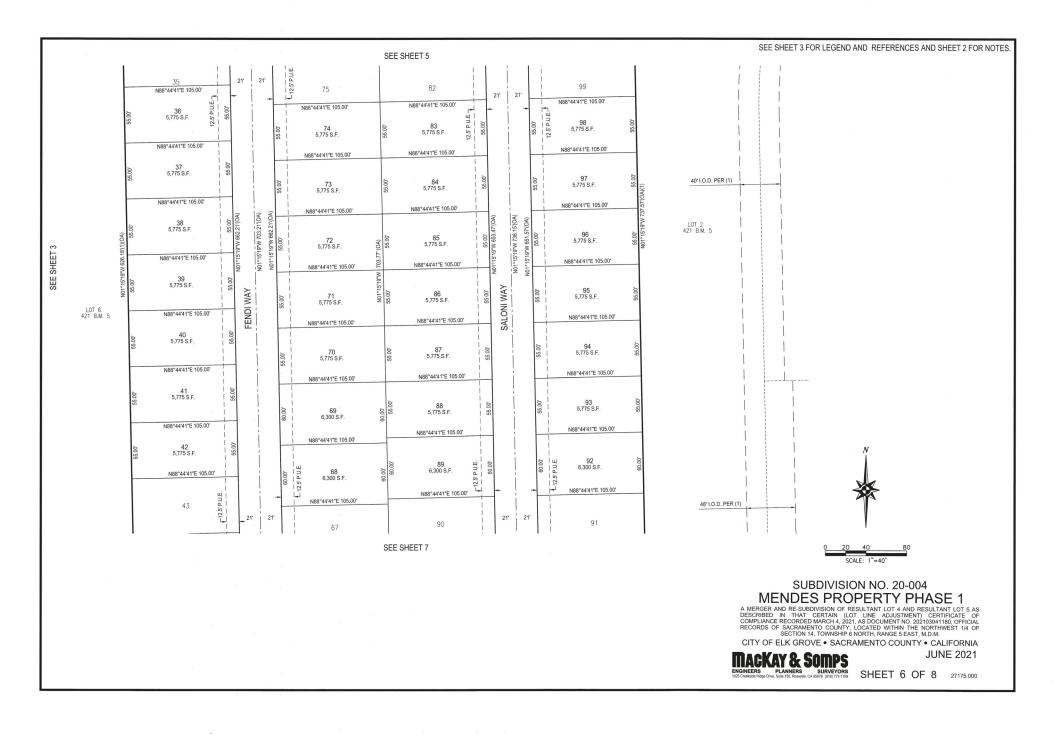
MACKAY & SOMPS

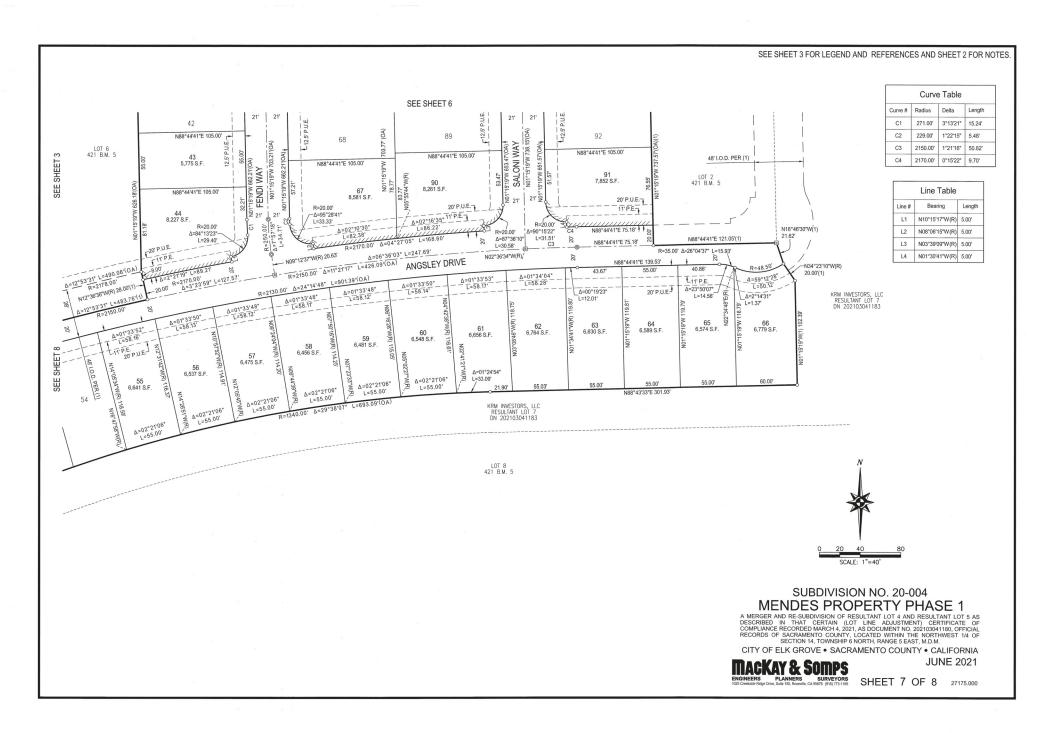
PLANNERS SURVEYORS SHEET 2 OF 8 27175.000

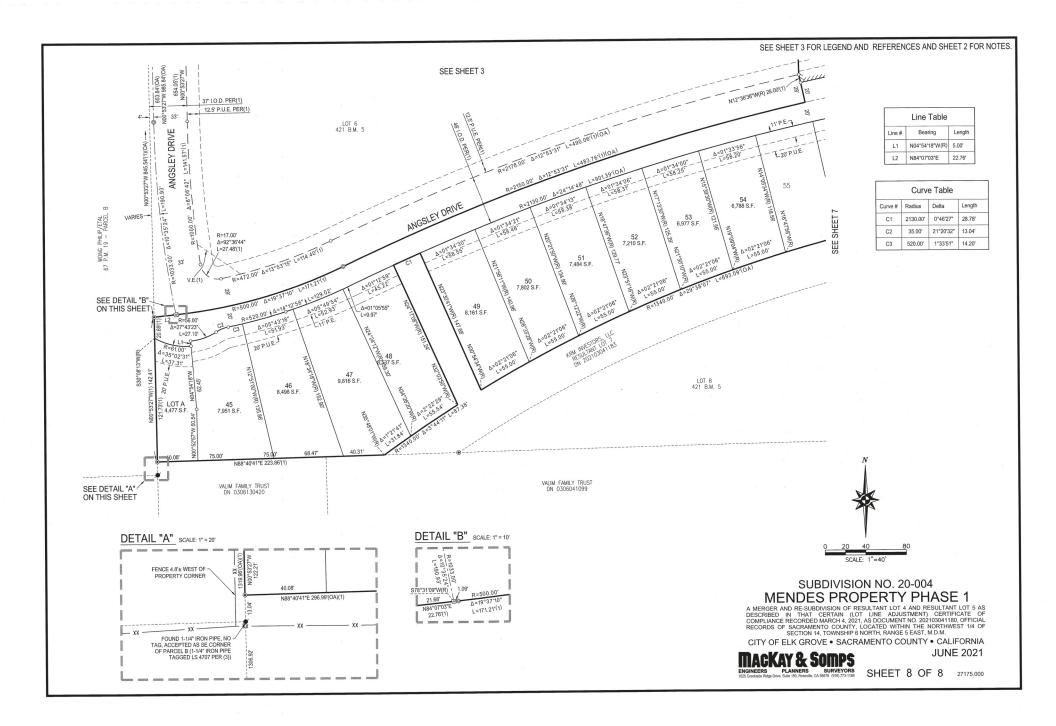












ATTACHMENT 2

NO FEE DOCUMENT

Government Code §6103 RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

CITYOF ELK GROVE 8401 Laguna Palms Way Elk Grove, CA 95758 Attn: City Clerk

Project Name: Mendes Phase 1

A.P.N. 132-2780-004, -005

Project No. PLNG18-078 (IPPB20-001)

The Above Space For Recorder's Use Only

SUBDIVISION IMPROVEMENT AGREEMENT SUBDIVISION NO. 20-004, Mendes Phase 1

This Subdivision Improvement Agreement is made and entered into as of the date signed by the City Clerk by and between the City of Elk Grove, a Municipal Corporation, hereinafter referred to as "City," and Richmond American Homes of Maryland, Inc., a Maryland corporation, hereinafter referred to as "Subdivider."

RECITALS

A. Subdivider has presented to the City a parcel map or final map of a proposed subdivision of land located within the corporate limits of the City that has been prepared in accordance with the Subdivision Map Act of the State of California, the City of Elk Grove Municipal Code, Title 22, and the tentative map of the Subdivision previously approved by the City.

B. The proposed subdivision of land is commonly known and described as Subdivision No. 20-004, Mendes Phase 1, and is hereinafter referred to as the "Subdivision" or the "Project."

C. Subdivider has requested approval of a parcel map or final map prior to the construction and completion of the public improvements, which may include, but is not limited to streets, highways, public ways, sidewalks, curbs, gutters, storm drainage facilities, public utility facilities, landscaping, design standards which are part of the provisions for lot grading and drainage in or appurtenant to the Subdivision, and other public improvements that are required by the Subdivision Map Act, Title 22 of the City Municipal Code, the tentative map (and approvals given in connection therewith), and final grading plan, if any, approved by the City. The foregoing improvements, for which the corresponding improvement plans are listed in Table 1 below, are hereinafter referred to as "the Required Improvements." Prior to approval of any parcel map or final map for the subdivision for any subsequent phase, a separate Public Improvement Agreement shall be executed by the City and KRM Investors, LLC to provide for construction and completion of the following public improvements:

- Traffic signal at Big Horn Blvd and Bilby Rd intersection
- Trail Improvements
- Recycled water improvements

Title	Plan No.
Improvement Plans for Mendes Property Phase 1	IPPB20-001

Table 1: Plans for Required Improvements

(Approved plans shall be incorporated herein by this reference)

NOW, THEREFORE, the parties agree as follows:

1. <u>Recitals</u>. The foregoing recitals are true and correct and are incorporated herein by this reference.

2. <u>Performance of Work</u>. Subdivider agrees to furnish, construct and install at Subdivider's own expense the Required Improvements as shown on the plans and specifications of the Subdivision, a copy of which is on file in the office of the Director of Development Services, and is incorporated herein by this reference, along with any changes or modifications as may be required by the City Manager or the City Manager's designee (hereinafter "City Manager") due to errors, omissions, or changes in conditions. The plans and specifications of the Required Improvements may be modified by the Subdivider as the development progresses, subject to the prior written approval of the City Manager. The Subdivider also agrees to pay all City Engineering fees and other City fees including overhead fees incurred during the performance of this Agreement, all of which are covered by the attached bonds. The total estimated cost of the Required Improvements, as determined by the City Manager, is Four Million One Hundred Thirty-Five Thousand Eight Hundred Fifty-Three Dollars (\$4,135,853).

3. <u>Work Shall Be To The Satisfaction of City Manager</u>. All of the Work on the Required Improvements is to be done at the locations, with the materials, in the manner, and at the grades, as shown upon the approved plans and specifications and the City's Improvement Standards and Standard Specifications, to the satisfaction of the City Manager. Subdivider shall protect, maintain and repair all work installed by Developer prior to acceptance of the Required Improvements, including but not limited to signing, striping, activation of all street lighting, traffic signals, and irrigation controllers. Subdivider shall pay all utility costs associated with the Required Improvements until (i) the City agrees to take over payment of these costs OR (ii) one year has elapsed after the City accepts the Required Improvements, whichever occurs first. Subdivider shall maintain all landscaping within existing or future public right-of-ways and property (i.e., landscaping intended to be publically maintained at a future date) until (i) the City agrees to take over maintenance of the landscaping OR (ii) three years has elapsed after the City accepts the Required Improvements, whichever occurs first.

4. <u>Injury to Public Improvements, Public Property or Public Utilities Facilities</u>. Subdivider shall replace or repair, or have replaced or repaired, all public improvements, public utility facilities, and surveying or subdivision monuments which are destroyed or damaged in the performance of any work under this Agreement. Subdivider shall bear the entire cost of replacement or repairs of any and all public or private utility property damaged or destroyed in the performance of any work done under this Agreement, whether such property is owned by the United States or any agency thereof, or the State of California, or any agency or political subdivision thereof, or by the City or any public or private utility corporation or by any combination of such owners. Any repair or replacement shall be to the satisfaction of the City Manager.

5. Inspection. Subdivider shall at all times maintain proper facilities and safe access for inspection of the Required Improvements and other public improvements by the City. Upon completion of the work, the Subdivider may request a final inspection by the City Manager or the City Manager's representative. If the City Manager or the designated representative determines that the work has been completed in accordance with this Agreement, then the City Manager shall accept the Required Improvements on behalf of the City and give written notice of such to Subdivider. No Required Improvements shall be finally accepted unless all aspects of the work have been inspected and determined to have been completed in accordance with the Improvement Plans and City standards, including but not limited to providing the Required Improvements free and clear from liens. Subdivider shall bear all costs of plan check, inspection, certification and all City overhead costs.

6. <u>Subdivider's Obligation to Warn Public during Construction</u>. Until final acceptance of the Required Improvements, Subdivider shall give good and adequate warning to the public of each and every dangerous condition existing in the Required Improvements area, and shall take reasonable actions to protect the public from such dangerous condition. In addition, any claims received by the City from third parties for damage from construction of the Required Improvements or improvements shall be tendered to Subdivider for addressing indemnification pursuant to Section 14, and potential payment at the City's request should the City determine such damage is the result of Subdivider or Subdivider contractor's work.

7. <u>Superintendence by Subdivider</u>. Subdivider shall require each contractor and subcontractor to have a competent foreman on the job at all times when that contractor or subcontractor, or any employee or agent thereof, is performing work on the Required Improvements. In addition, Subdivider shall maintain an office with a telephone and Subdivider or a person authorized to make decisions and to act for Subdivider in Subdivider's absence shall be available on the job site within three (3) hours of being called at such office by the City during the hours of 8:00 A.M. through 5:00 P.M., Monday through Friday, or any other day or time when work is being performed on the Required Improvements.

8. <u>Work, Time for Commencement and Performance</u>. Work on the Required Improvements shall be completed within 36 months of execution of this document; provided, however, the Required Improvements shall not be deemed to be completed until accepted in writing by the City.

9. Time is of the Essence and Request for Extension.

a. Time is of the essence in this Agreement. The date for completion of the Required Improvements may not be extended, except as provided in this paragraph. The City Manager may extend the date for a maximum of three hundred and sixty-five (365) days due to delays in the work actually caused by inclement weather, riots, strikes, lockouts, fires, earthquakes, floods and conditions resulting therefrom, or for other reason beyond the control of the Subdivider. Extension of the date for any other cause or beyond three hundred and sixty-five (365) days shall be made only by the City Council. Extensions shall be granted only upon a showing of good cause by the Subdivider. The City Council or City Manager, respectively specified in Section 9(a) shall be the sole and final judge as to whether good cause has been shown to grant the Subdivider to an extension.

b. Requests for extension of the completion date shall be in writing and delivered to the City thirty (30) days prior to the expiration of the date specified in Section 8 in the manner hereinafter specified for service of notices. An extension of time, if any, shall be granted only in writing, and an oral extension shall not be valid or binding on the City. c. In the event the City extends the time of completion of the Required Improvements, such extension may be granted without notice by the City to the Subdivider's surety and shall in no way release any guarantee or security given by the Subdivider pursuant to this Agreement, or relieve or release those providing an improvement security pursuant to this Agreement. The surety or sureties, if any, in executing the securities shall be deemed to have expressly agreed to any such extension of time.

d. In granting any extension of time, the City may require new or amended improvement security in amounts increased to reflect increases in the costs of constructing the Required Improvements or impose other conditions to protect its interests and ensure the timely completion of the Required Improvements.

10. <u>Utility Undergrounding and Relocation Costs</u>. Subdivider shall assume all costs for utility and cable television undergrounding and/or relocation which is not the responsibility of the cable television, gas, electric, telephone, or other utility company under the terms of the franchises with the City or otherwise imposed upon the utility companies by law.

11. <u>Improvement Security</u>. Concurrently with the execution of this Agreement, the Subdivider shall furnish the City with:

a. <u>Faithful Performance Security</u>. Subdivider shall provide faithful performance security as set forth in the Elk Grove Municipal Code section 22.80.005 to secure faithful performance of this Agreement (the "Performance Security"). This security shall be in the amount of one hundred percent (100%) of the total estimated cost of the Required Improvements, as determined by the City Manager, which total cost is in the amount of <u>Four Million One Hundred</u> Thirty-Five Thousand Eight Hundred Fifty-Three Dollars (\$4,135,853).

b. <u>Payment Security</u>. Subdivider shall also provide payment security as set forth in the Elk Grove Municipal Code section 22.80.005 to secure payment to the contractor, subcontractors and to persons renting equipment or furnishing labor or materials to them for the work (the "Payment Security"). This Payment Security shall be in the amount of fifty percent (50%) of the total estimated cost of the Required Improvements, as determined by the City Manager, which total cost is in the amount of <u>Two Million Sixty-Seven</u> <u>Thousand Nine Hundred Twenty-Seven Dollars (\$2,067,927)</u> and shall secure the obligations set forth in Section 8000 et seq. of the Civil Code of the State of California.

- 5 -

c. <u>Guarantee and Warranty Security</u>. Subdivider shall also file with this Agreement a guarantee and warranty security in the amount of ten percent (10%) of the total estimated cost of the Required Improvements (the "Warranty Security"), as determined by the City Manager, which total cost is in the amount of <u>Four Hundred Thirteen Thousand, Five Hundred Eighty-Five Dollars</u> (\$413,585) to guarantee and warrant the Required Improvements for a period of one year following their completion and acceptance against any defective work or labor done, or defective materials furnished. This Warranty Security shall also secure Principal's obligation to pay all City engineering fees, overhead fees, and City fees incurred during the warranty period.

d. <u>Monument Security</u>. Subdivider shall also file with this Agreement a "monument security" in the amount of one hundred percent (100%) of the total estimated cost of the installation of survey monuments (the "Monument Security") in the Subdivision, as determined by the City Manager, which total cost is in the amount of <u>Forty-One Thousand Three Hundred Fifty-Nine Dollars (\$41,359)</u>, to guarantee and secure the placement of such monuments.

e. <u>Bonds.</u> Any bonds submitted as security pursuant to this section shall be furnished by companies who are authorized and licensed by the Insurance Commissioner of the State of California as "admitted surety insurers," to act as surety upon bonds and undertakings. The company shall maintain in this State at least one office for the conduct of its business. Bonds must be approved by City. The bonds shall be furnished on the forms enclosed following this Agreement and shall be satisfactory to the City. All required securities shall be in a form approved by the City Attorney. The surety (or sureties) shall furnish reports as to its financial conditions from time to time as requested by the City. The premiums for said bonds shall be paid by Subdivider.

f. <u>Changes to Agreement of Plans.</u> No change, alteration, or addition to the terms of this Agreement or the plans and specifications incorporated herein shall in any manner affect the obligation of the sureties, except as otherwise provided by the Subdivision Map Act.

g. <u>Irrevocable</u>. The securities shall be irrevocable, shall not be limited as to time and shall provide that they may be released, in whole or part, only upon the written approval of the City Manager and as provided in Section 12. All securities provided pursuant to this Agreement shall expressly obligate the surety for any extension of time authorized by the City for Subdivider's completion of the Required Improvements, whether or not the surety is given notice of such an extension by the City. h. <u>Attorney-In-Fact</u>. The Attorney-in-Fact (resident agent) who executes the securities on behalf of the surety company must attach a copy of his/her Power of Attorney as evidence of his authority. A notary shall acknowledge the power as of the date of the execution of the surety bond that it covers.

12. <u>Release of Security</u>.

a. <u>Guarantee and Warranty Security</u>. Any unused portion of the Warranty Security may be released one year after acceptance of the Required Improvements by the City. The amount to be released shall first be reduced by the amount deemed necessary by the City to correct any defects in the Required Improvements that are known or believed by the City to exist at the end of the guarantee and warranty period. Any unreleased portion of the Warranty Security shall remain in full force and effect unless and until the City notifies Subdivider in writing that the necessary repairs have been made to the satisfaction of the City Manager and that the warranty period has been successfully completed.

b. <u>Payment Security</u>. The Payment Security may be released thirtyfive (35) days after passage of the time within which claims of lien are required to be recorded pursuant to California Civil Code Section 8000 et. seq., but in no event shall such security be released prior to one hundred and twenty (120) days after acceptance of the Required Improvements by the City. The amount to be released shall first be reduced by the total of all claims on which an action has been filed and notice thereof given in writing to the City. City expressly may require the surety not to release the amount of the Payment Security deemed necessary by City to assure payment of reasonable expenses and fees, including reasonable attorney's fees.

c. <u>Faithful Performance Security</u>

(1) The Performance Security shall be released upon final completion and acceptance of the Required Improvements by the City and in accordance with Government Code Section 66499.7. Partial release of the Performance Security shall be approved only as required by, and subject to the conditions and limitations set forth in, Government Code Section 66499.7.

(2) If the City approves the partial release of the Performance Security, the City may accept replacement security at the required reduced level as a substitute for the original security, but the release of the original security shall not be effective until the City Manager approves the form and amount of the replacement security. If the partial release is effected through a reduction in the amount of the existing security, the Developer shall provide to the City written acknowledgement by the issuer of the Performance Security that the existing Performance Security remains in full force and effect at the reduced level. A reduction in Performance Security under this section is not, and shall not be deemed to be, an acceptance by the City of the completed improvements, and the risk of loss or damage to the improvements and the obligation to maintain the improvements shall remain the sole responsibility of the developer until all of the Required Improvements have been accepted in writing by the City and all other required improvements have been fully completed in accordance with the plans and specifications for the Required Improvements.

d. <u>Monument Security</u>. The Monument Security may be released upon acceptance of the required monument installation by the City Manager.

13. <u>Inspection and Other Fees</u>. The Subdivider shall pay to the City all fees imposed in connection with the design, construction and inspection of the Required Improvements including City overhead costs. These fees must be paid in full prior to the City's acceptance of the Required Improvements and are covered under the bonds of this Agreement. The fees referred to above are not necessarily the only City fees, charges or other costs that have been, or will be, imposed on the Subdivision and its development, and this Agreement shall in no way exonerate or relieve the Subdivider from paying such other applicable fees, charges, and/or costs.

Defense, Indemnification and Hold Harmless, 14. The Subdivider shall defend, indemnify, and hold harmless the City, its officers, employees, agents, and elective and appointive boards from any and all claims, losses, damages, including property damage, personal injury, including death, costs, including attorney fees, and liability of any kind or nature, including without limitation, liabilities and/or penalties arising out of the Prevailing Wage laws, directly or indirectly arising out of or in any way connected with performance under this Agreement and/or the construction of the Required Improvements by the Subdivider, contractor or any subcontractor, or of any person directly or indirectly employed by, or acting as agent for the Subdivider, contractor or any subcontractor, save and except those matters arising from the sole active negligence or willful misconduct of the City, as determined by a court of competent jurisdiction unless and until such judicial determination is made, or as otherwise agreed by the parties, Subdivider shall remain obligated to defend, indemnify, and hold harmless the City, its officers, employees, agents, and elective and appointed boards pursuant to this Agreement.

This defense, indemnification and hold harmless provision shall extend to claims, losses, damage, injury, costs, including attorney fees, and liability for injuries occurring after completion of the construction of the Required Improvements as well as during construction, and shall apply regardless of whether or not the City has prepared, supplied or approved the plans and/or specifications for the Required Improvements or has inspected or accepted the same. Acceptance of insurance required under this Agreement shall not relieve Subdivider from liability under this defense, indemnification and hold harmless provision.

The parties intend that this provision shall be broadly construed to effectuate its purpose. The provisions of this Section shall survive termination or suspension of this Agreement.

15. Environmental Warranty.

a. Prior to the acceptance of any dedications or Required Improvements by City, Subdivider shall certify and warrant that: neither the property to be dedicated nor Subdivider are in violation of any environmental law and neither the property to be dedicated nor the Subdivider are subject to any existing, pending, or threatened investigation by any federal, state or local governmental authority under or in connection with any environmental law. Neither Subdivider nor any third party will use, generate, manufacture, produce, or release, on, under, or about the property to be dedicated, any hazardous substance, except in compliance with all applicable environmental laws. Subdivider has not caused or permitted the release of, and has no knowledge of the release or presence of, any hazardous substance on the property to be dedicated or the migration of any hazardous substance from or to any other property adjacent to, or in the vicinity of, the property to be dedicated. Subdivider's prior and present use of the property to be dedicated has not resulted in the release of any hazardous substance on the property to be dedicated. Subdivider shall give prompt written notice to City at the address set forth herein of:

Any proceeding or investigation by any federal, state or local governmental authority with respect to the presence of any hazardous substance on the property to be dedicated or the migration thereof from or to any other property adjacent to, or in the vicinity of, the property to be dedicated;

Any claims made or threatened by any third party against City or the property to be dedicated relating to any loss or injury resulting from any hazardous substance; and

Subdivider's discovery of any occurrence or condition on any property adjoining or in the vicinity of the property to be dedicated that could cause the property to be dedicated or any part thereof to be subject to any restrictions on its ownership, occupancy, use for the purpose for which it is intended, transferability, or suit under any environmental law. b. As used in this Agreement, the term "hazardous substance" includes any hazardous or toxic substance or material or waste, including but not limited to all types of gasoline, oil, and other petroleum hydrocarbons, asbestos, radon, polychlorinated biphenols (PCBs), or any other chemical, material, controlled substance, object, condition, waste, living organism or any combination thereof which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful properties of effects, which is now, or in the future becomes, listed, defined or regulated in any manner by any federal, state, or local City based directly or indirectly upon such properties.

15. <u>Subdivider's Insurance</u>.

a. <u>Subdivider Shall Maintain Insurance</u>. Subdivider shall not commence any work before obtaining, and shall maintain in force at all times during the duration and performance of this Agreement, the policies of insurance specified in this Section. Such insurance must have the approval of the City as to limit, form, and amount, and shall be placed with insurers with an A.M. Best rating of no less than A:VII.

b. Subdivider to Provide Evidence of Insurance. Prior to the execution of this Agreement and prior to the commencement of any work, the Subdivider or its insurance broker shall deliver the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage to City. City may designate an insurance certificate processor ("Processor") to accept and process Subdividers's proof of insurance. Subdivider shall deliver copies of the actual insurance policies, renewals, or replacements directly to City or Processor upon their request. Subdivider shall not allow any contractor or subcontractor to commence work until the same insurance is first obtained by such contractor or subcontractor. Certificates shall be signed by a person authorized by the insurer, or insurers, to bind coverage on their behalf. As an alternative to providing the City with approved forms of certificates of insurance and endorsements, the Subdivider may provide complete, certified copies of all required insurance policies, including endorsements, affecting the coverage required by this Section. At any time, at the written request of the City, Subdivider agrees to furnish one or more copies of each required policy including declarations pages, conditions, provisions, endorsements, and exclusions. Such copies shall be certified by an authorized representative of each insurer.

c. <u>No Suspension of Insurance</u>. The Subdivider shall serve the City notice, in writing by certified mail, within 2 days of any notices received from any insurance carriers providing insurance coverage under this Agreement that concern the suspension, voidance, cancellation, termination, reduction in coverage or limits, non-renewal, or material changes of coverage proposed or otherwise.

d. <u>Deductibles</u>. Any deductibles, or self-insured retentions, exceeding five thousand dollars (\$5,000) must be declared to, and approved by, the City. Upon request by the City, Subdivider shall demonstrate financial capability for payment of such deductibles or self-insured retentions.

e. <u>Coverages Shall Not Limit Obligations</u>. The requirement as to types, limits, and the City's approval of insurance coverage to be maintained by Subdivider are not intended to, and shall not in any manner, limit or qualify the liabilities and obligations assumed by Subdivider under the Agreement.

f. <u>Required Limits</u>. Subdivider and its contractors and subcontractors shall, at their expense, maintain in effect at all times during the term of this Agreement, not less than the following coverage and limits of insurance, which shall be maintained with insurers and under forms of policy satisfactory to the City. The maintenance of Subdivider and its contractors and subcontractors of the following coverage and limit of insurance is a material element of the Agreement. The failure of Subdivider or of any of its contractors or subcontractors to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of this Agreement.

1. <u>Workers' Compensation Insurance</u>. Subdivider shall maintain, during the term of this Agreement, Workers' Compensation insurance for all of Subdivider's employees as required by Labor Code section 3700 of the State of California and Employer's Liability Act, including Longshoremen's and Harbor Workers' Act ("Acts"), if applicable. Employer's Liability limits shall not be less than one million dollars (\$1,000,000) per occurrence. The Subdivider shall execute a certificate in compliance with Labor Code section 1861, on the form provided in the Contract Documents. The insurer shall agree to waive all rights of subrogation against the City, its officers, officials, and employees for losses arising from work falling within the terms of this Agreement. Subdivider shall indemnify and hold harmless the City for any damage resulting to it, including attorney fees, from failure of either Subdivider or any contractor or subcontractor to take out and maintain such insurance.

2. Commercial General Liability Insurance. Subdivider shall maintain during the term of this Agreement such commercial general liability insurance as shall insure the City, its elective and appointive boards and commissions, officers, agents and employees, Subdivider and any contractor or subcontractor performing work covered by this Agreement. The insurance shall include, but not be limited to, protection against claims arising from death, bodily or personal injury, or damage to property resulting from actions, failures to act, or operations of Subdivider. any contractor's or subcontractor's operations hereunder, whether such operations are by Subdivider or any contractor or subcontractor or by anyone directly or indirectly employed by either Subdivider or any contractor or subcontractor. The amount of insurance coverage shall not be less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) per policy aggregate. As an alternative to the policy aggregate the Subdivider may have an aggregate limit of one million dollars (\$1,000,000) per project apply. Coverage shall be at least as broad as Insurance Services Office "occurrence form CG 00 01 (ed. 10/01)" covering commercial general liability or its equivalent.

3. <u>Endorsements</u>. Subdivider shall see that the commercial general liability insurance shall include, or be endorsed to include, the following:

(a) Provision or endorsement naming the City of Elk Grove, its officers, employees, agents, boards, commissions, and volunteers as Additional Insureds with respect to liability arising out of the performance of any work under this Agreement.

(b) Provision or endorsement waiving any rights of subrogation against the City, its officers, officials, employees, agents, boards, commissions and volunteers.

(c) Provision or endorsement stating that insurance is Primary insurance with respect to the City, its officers, employees, agents, boards, commissions, and volunteers, to the extent the City is an additional insured. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents, boards, commissions, and volunteers shall be in excess of the Subdivider's insurance and shall not contribute with it.

(d) Provision or endorsement stating that the Subdivider's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability (cross-liability).

(e) Provision or endorsement stating that any failure to comply with reporting or other provisions of the policies including

breaches of representations shall not affect coverage provided to the City, its officers, employees, agents, boards, commissions, and volunteers.

16. <u>Prevailing Wage</u>. Required Improvements may be subject to the payment of prevailing wage under California Labor Code Section 1720. In the event Subdivider does not pay prevailing wages for the work performed under this Agreement, the Subdivider shall pay all penalties and wages as required by applicable law and defend, indemnify, and hold harmless the City pursuant to paragraph 13.

17. <u>Title to Required Improvements</u>. The City shall not accept any real property to be dedicated or the Required Improvements unless they are constructed in conformity with the approved plans and specifications, approved modifications, if any, the approved final or parcel map, and City Improvement Standards and Specifications, to the satisfaction of the City Manager. Until such time as the Required Improvements are accepted by the City, Subdivider shall retain title and shall be responsible for, and bear the risk of loss to, any of the improvements constructed or installed.

Title to and ownership of any real property to be dedicated and the Required Improvements constructed under this Agreement by Subdivider shall vest absolutely in the City upon completion and acceptance in writing of such Required Improvements by City. The City shall not accept the Required Improvements unless title to the Required Improvements is entirely free from liens. Prior to acceptance, Subdivider shall supply the City with appropriate lien releases, at no cost to and in a form acceptable to the City.

18. <u>Repair or Reconstruction of Defective Work</u>. If, within a period of one year after final acceptance by the City of the Required Improvements, any Required Improvement or part of any Required Improvement furnished and/or installed or constructed, or caused to be installed or constructed by Subdivider, or any of the work done under this Agreement materially fails to fulfill any of the requirements of this Agreement or the specifications referred to herein, Subdivider shall without delay and without any cost to City, repair, replace or reconstruct any defective or otherwise unsatisfactory part or parts of the Required Improvements. If the Subdivider fails to act promptly or in accordance with this requirement, or if the exigencies of the situation require repairs or replacements to be made before the Subdivider can be notified, then the City may, at its option, make the necessary repairs or replacements or perform the necessary work, and Subdivider shall pay to City the actual cost of such repairs plus twenty-five percent (25%) for administrative costs within thirty (30) days of the date of billing for such work by City.

19. <u>Subdivider Not Agent of City</u>. Neither Subdivider nor any of Subdivider's agents, contractors, or subcontractors are or shall be considered to be agents of the City in connection with the performance of Subdivider's obligations under this Agreement.

20. <u>Notice of Breach and Default</u>. The following shall constitute a default under this Agreement: If Subdivider refuses or fails to prosecute the work on the

Required Improvements, or any part thereof, with such diligence as will ensure its completion within the time specified, or any extension thereof, or fails to complete the Required Improvements within such time; if Subdivider should be adjudged a bankrupt, or Subdivider should make a general assignment for the benefit of Subdivider's creditors, or if a receiver should be appointed in the event of Subdivider's insolvency; or if Subdivider or any of Subdivider's contractors, subcontractors, agents or employees should violate any of the provisions of this Agreement. In the event of Subdivider's default, Subdivider shall be deemed to be in breach of this Agreement and the City may serve written notice upon Subdivider and Subdivider's surety, if any, of the breach of this Agreement. Subdivider shall have fifteen (15) calendar days from receipt of written notice by City to cure any default.

City reserves to itself all remedies available to it at law or in equity a. for breach of Subdivider's obligations under this Agreement. City shall have the right, subject to this section, to draw upon or utilize the appropriate security to mitigate City damages in event of default by Subdivider. The right of City to draw upon or utilize the security is additional to and not in lieu of any other remedy available to City. It is specifically recognized that the estimated costs and security amounts may not reflect the actual cost of construction or installation of the Required Improvements and, therefore, City damages for Subdivider's default shall be measured by the cost of completing the Required Improvements. The sums provided by the improvement security may be used by City for the completion of the Required Improvements in accordance with the improvement plans and specifications contained herein. The improvement security includes the Payment Security, Performance Security, Warranty Security, Monument Security and any other improvement security required by Section 11 of this Agreement.

b. In the event of Subdivider's default under this Agreement, Subdivider authorizes City to perform such obligation twenty (20) calendar days after mailing written notice of default to Subdivider and to Subdivider's Surety, and agrees to pay the entire cost of such performance by City.

c. City may take over the work of the Required Improvements and prosecute the same to completion, by contract or by any other method City may deem advisable, for the account and at the expense of Subdivider, and Subdivider's Surety shall be liable to City for any excess cost or damages occasioned City thereby; and, in such event, City, without liability for so doing, may take possession of, and utilize in completing the work, such materials, appliances, plants and other property belonging to Subdivider as may be on the site of the work and necessary for performance of the work.

d. Failure of Subdivider to comply with the terms of this Agreement shall constitute consent to the filing by City of a notice of violation against all the lots in the Subdivision. The remedy provided by this Subsection is in addition to and not in lieu of other remedies available to City. Subdivider agrees that the

choice of remedy or remedies for Subdivider's breach shall be within the discretion of City.

e. In the event that Subdivider fails to perform any obligation hereunder, Subdivider agrees to pay all costs and expenses incurred by City in securing performance of such obligations, including costs of suit and reasonable attorneys' fees.

f. The failure of City to take an enforcement action with respect to a default, or to declare a breach, shall not be construed as a waiver of that default or breach or subsequent default or breach of Subdivider.

g. Subdivider recognizes that by approval of the final map for the Subdivision, City has conferred substantial rights upon Subdivider, including the right to sell, lease, or finance lots within the Subdivision, and has taken the final act necessary to subdivide the property within the Subdivision. As a result, City will be damaged to the extent of the cost of installation of the Required Improvements by Subdivider's failure to perform its obligations under this Agreement, including, but not limited to, Subdivider's obligation to complete construction of the Required Improvements by the time established in this Agreement. City shall be entitled to all remedies available to it pursuant to this Agreement and the Subdivision Laws in the event of a default by Subdivider.

21. <u>Building Permit Sign-Off or Issuance of Certificate of Occupancy</u>. The City will not final or sign off as complete any building permit or issue any certificate of occupancy for any building constructed within the Subdivision unless and until all required streets have been paved and the City Manager determines, in his/her sole discretion, that completion of the Required Improvements will not materially interfere with the intended uses of the properties within the Subdivision.

22. <u>Notices</u>. All notices required under this Agreement shall be in writing, and delivered in person or sent by registered or certified mail, postage prepaid.

Notices required to be given to City shall be addressed as follows:

Development Services, Engineering Department CITY OF ELK GROVE 8401 Laguna Palms Way Elk Grove, CA 95758

Notices required to be given to Subdivider shall be addressed as follows:

Richmond American Homes of Maryland, Inc. 3200 Douglas Blvd, Suite 110 Roseville, CA 95661 Any party may change such address by notice in writing to the other party and thereafter notices shall be addressed and transmitted to the new address.

23. <u>Waiver</u>. The waiver by either party of a breach by the other of any provision of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of either the same or a different provision of this Agreement.

24. <u>Personal Nature of Subdivider's Obligations/Assignment</u>. Notwithstanding paragraph 30, all of Subdivider's obligations under this Agreement shall remain the personal obligations of Subdivider notwithstanding a transfer of all or any part of the property within the Subdivision subject to this Agreement, and Subdivider shall not assign any of its obligations under this Agreement without the prior written consent of the City.

25. <u>Acquisition and Dedication of Easements or Rights-of-Way</u>. If any of the Required Improvements are to be constructed or installed on land not within the Subdivision or an already existing public right-of-way, no construction or installation shall be commenced before:

a. The irrevocable offer of dedication or conveyance to City of appropriate rights-of-way, easements or other interests in real property, and appropriate authorization from the property owner to allow construction or installation of the Required Improvements, or

b. The issuance of an order of possession by a court of competent jurisdiction pursuant to the State Eminent Domain Law. Subdivider shall comply in all respects with any such order of possession.

Nothing in this paragraph shall be construed as authorizing or granting an extension of time to Subdivider for completion of the Required Improvements.

26. <u>Compliance with Laws</u>. Subdivider, its agents, employees, contractors, and subcontractors shall comply with all federal, state and local laws in the performance of the work required by this Agreement including, but not limited to, obtaining all applicable permits and licenses.

27. <u>No Vesting of Rights</u>. Entering into this Agreement shall not be construed to vest Subdivider's rights with respect to any change in any zoning or building law or ordinance.

28. <u>Approvals by City</u>. Any approval or consent that is to be given by the City under this Agreement shall be in writing, and any approval or consent that is not in writing shall not be binding on the City.

29. <u>Construction and Interpretation</u>. It is agreed and acknowledged by Subdivider that the provisions of this Agreement have been arrived at through negotiation, and that Subdivider has had a full and fair opportunity to revise the provisions of this Agreement and to have such provisions reviewed by legal counsel.

Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

30. <u>Successors and Assigns -- Covenant Running With the Land</u>. This Agreement shall inure to the benefit and burden of, and binding upon, the successors and assigns of the respective parties. This Agreement shall be recorded in the Office of the Recorder of Sacramento County concurrently with the final map or parcel map of the Subdivision. This Agreement shall constitute a covenant running with the land and an equitable servitude upon the real property within the Subdivision.

31. <u>Severability</u>. The provisions of this Agreement are severable. If any portion of this Agreement is held invalid by a court of competent jurisdiction, the remainder of the Agreement shall remain in full force and effect unless amended or modified by mutual written consent of the parties.

32. <u>Actions</u>. Any action by any party to this Agreement, or any action concerning a security furnished pursuant thereto, shall be brought in the appropriate court of competent jurisdiction within the County of Sacramento, State of California, notwithstanding any other provision of law which may provide that such action may be brought in some other location. The law governing this Agreement is the law of the State of California.

33. <u>Integration</u>. This Agreement is a fully integrated Agreement. It supersedes all prior negotiations, representations, or agreements, either written or oral.

34. <u>Modification</u>. This Agreement may be amended only by a written instrument signed by the parties. Subdivider shall bear all costs of amendments to this Agreement that are requested by the Subdivider.

35 <u>Release of Agreement</u>. When all obligations of the Subdivider, as set forth in the Agreement, have been satisfied as determined by the City Manager, or his or her designee, he or she shall have the authority to record with the Sacramento County Recorder a Release of Recorded Document releasing the Agreement so as to have no further force and effect on the property chain of title. Section 14 shall continue to survive as previously laid out in said Section.

SEE SIGNATURES ATTACHED NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement as follows:

CITY OF ELK GROVE

By:

Jason Behrmann **City Manager**

Date:

corporation

SUBDIVIDER: RICHMOND AMERICAN HOMES OF MARYLAND, INC., a Maryland

By:

Vice President of Land Acquistion Jenny Tan!

6/18/21 Date:_

ATTEST:

Jason Lindgren, City Clerk

Date:

APPROVED AS TO FORM:

TOR Jonathan P. Hobbs, City Attorney

ACKNOWLEDGMENT A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document. State of California County of Placer On <u>June 18, 2021</u> before me, <u>Christina</u> Edwards, Norary Public (insert name and title of the officer) personally appeared who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct. HRISTINA EDWARDS WITNESS my hand and official seal. Comm. #2290674 lotary Public · California 📅 Sacramento County omm. Expires May 31, 2023 (Seal) Signature

FAITHFUL PERFORMANCE BOND

WHEREAS, the City Council of the City of Elk Grove, State of California, and **Richmond American Homes of Maryland, Inc., a Maryland corporation** (hereinafter designated as "Principal") have entered into an agreement whereby Principal agrees to install and complete certain designated public improvements, which said agreement identified as <u>Subdivision Improvement Agreement – Subdivision No.</u> 20-004 Mendes Phase 1, is hereby referred to and made a part hereof; and

WHEREAS, said Principal is required under the terms of said Agreement to furnish a bond for the faithful performance of said agreement and further to pay all City engineering fees and other City fees incurred during performance of the agreement.

NOW, THEREFORE, we, the Principal and <u>Atlantic Specialty Insurance Company</u>, as surety, are held and firmly bound unto the City of Elk Grove hereinafter called ("City"), in the penal sum of <u>Four Million One Hundred Thirty-Five Thousand Eight</u> <u>Hundred Fifty-Three Dollars (\$4,135,853)</u> lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bounded Principal, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless City, its officers, agents and employees, as therein stipulated, then if this obligation is fully performed in the opinion of the City this obligation shall become null and void otherwise it shall remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Agreement or to the work to be performed thereunder or the specifications accompanying the same shall in anyway affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

IN WITNESS WHEREOF, this Faithful Performance Bond has been duly executed by the Principal and surety above named, on this <u>24th</u> day of May 2021.

Atlantic Specialty Insurance Company

Name of Surety

605 U.S. Highway 169, 8th Floor

Plymouth, MN 55441

Address of Surety

781-332-8120 Telephone No. of Surety Principal: RICHMOND AMERICAN HOMES OF MARYLAND, INC., a Maryland corporation

By:

Jenny Tan, Vice President of Land Acquisition

Contact: Jenny Tan Phone: 415-471-4088

Attorney-in-Fact, Maria Pena

NOTE: If Principal is a partnership, all partners should execute the bond.

IMPORTANT: Surety companies executing bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in California.

NOTICE: The signature of the Surety on this bond must be acknowledged before a notary public, and this bond must be accompanied by evidence that the appointment as attorney in fact has been recorded in Sacramento County.

MANDATORY: The Surety shall be authorized and licensed by the California Insurance Commissioner as an "admitted surety insurer."

APPROVAL: Bonds must be approved by City.

REQUEST TO INSURER TO SUBMIT DOCUMENTS: Execution of this document shall constitute the City's formal request to the insurer to provide the City with evidence of authorization as an admitted surety in the State of California from the California Department of Insurance and that the certificate of authority of the insurer has not been surrendered, revoked, canceled, annulled, or suspended.

POWER OF ATTORNEY REQUIRED. The Attorney-in-Fact (resident agent) who executes this bond on behalf of the surety company must attach a copy of his

Power of Attorney as evidence of his authority. A notary shall acknowledge the power as of the date of the execution of the surety bond that it covers.

734271.2 Revised 1-30-2019

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

)) ss

)

State of California

County of Los Angeles

MAY 2 4 2021

On ______, before me, <u>Patricia Arana, Notary Public</u>, personally appeared <u>Maria Pena</u>, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

PATRICIA ARANA Notary Public - California Los Angeles County Commission # 2220761 My Comm, Expires Nov 5, 2021

(Seal)

Signa	ture:

Patricia Arana, Notary Public

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.	
STATE OF <u>OA</u>)SS COUNTY OF <u>PLACIN</u>)	5.
On <u>51262</u> , before me, <u>J.MIL</u> Public, personally appeared <u>Jenny Taw</u>	

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

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

WITNESS my hand and official seal.

This area for official notarial seal

Notary Signature



PAYMENT BOND

WHEREAS, the City Council of the City of Elk Grove, State of California, and Richmond American Homes of Maryland, Inc., a Maryland corporation (hereinafter designated as "Principal") have entered into an agreement whereby Principal agrees to install and complete certain designated public improvements, which said agreement identified as <u>Subdivision Improvement Agreement – Subdivision No. 20-004</u> <u>Mendes Phase 1</u>, is hereby referred to and made a part hereof; and

WHEREAS, under the terms of said Agreement, Principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the City of Elk Grove to secure the claims to which reference is made in the California Civil Code Section 8000 et. seq.

NOW, THEREFORE, said Principal and the undersigned as corporate surety, are held firmly bound unto the City of Elk Grove and all contractors, subcontractors, laborers, materialmen and other persons employed in the performance of the aforesaid agreement and referred to in the California Civil Code Section 8000 et. seq. in the sum of <u>Two Million Sixty-Seven Thousand Nine Hundred Twenty-Seven Dollars</u> (\$2,067,927) for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that the surety will pay the same in an amount not exceeding the amount hereinabove set forth, and also in case suit is brought upon this bond, will pay, in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorney fees, incurred by City in successfully enforcing the obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under the California Civil Code Section 8000 et. seq., so as to give a right of action to them or their assigns in any suit brought upon this bond.

Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Agreement or the specifications accompanying the same shall in any manner affect its obligations on this bond, and it does hereby waive notice of any such change, extension, alteration or addition.

IN WITNESS WHEREOF, this Payment Bond has been duly executed by the Principal and surety above named, on this <u>24th</u> day of <u>May</u> 2021.

corporation

Atlantic Specialty Insurance Company

Name of Surety

605 U.S. Highway 169, 8th Floor

Plymouth, MN 55441

Address of Surety

781-332-8120 Telephone No. of Surety

Attorney-in-Fact, Maria Pena

By

Principal: RICHMOND AMERICAN HOMES

OF MARYLAND, INC., a Maryland

Jenny Tan, Vice President of Land Acquisition

Contact: Jenny Tan Phone: 415-471-4088

NOTE: If Principal is a partnership, all partners should execute the bond.

IMPORTANT: Surety companies executing bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in California.

NOTICE: The signature of the Surety on this bond must be acknowledged before a notary public, and this bond must be accompanied by evidence that the appointment as attorney in fact has been recorded in Sacramento County.

MANDATORY: The Surety shall be authorized and licensed by the California Insurance Commissioner as an "admitted surety insurer."

APPROVAL: Bonds must be approved by City.

REQUEST TO INSURER TO SUBMIT DOCUMENTS: Execution of this document shall constitute the City's formal request to the insurer to provide the City with evidence of authorization as an admitted surety in the State of California from the California Department of Insurance and that the certificate of authority of the insurer has not been surrendered, revoked, canceled, annulled, or suspended.

POWER OF ATTORNEY REQUIRED. The Attorney-in-Fact (resident agent) who executes this bond on behalf of the surety company must attach a copy of his Power of Attorney as evidence of his authority. A notary shall acknowledge the power as of the date of the execution of the surety bond that it covers.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

)) ss

)

State of California

County of Los Angeles

On <u>MAY 2 4 2021</u>, before me, <u>Patricia Arana, Notary Public</u>, personally appeared <u>Maria Pena</u>, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

PATRICIA ARANA Notary Public - California Los Angeles County Commission # 2220761 My Comm_ Expires Nov 5, 2021

(Seal)

Signature:

Patricia Arana, Notary Public



Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that ATLANTIC SPECIALTY INSURANCE COMPANY, a New York corporation with its principal office in Plymouth, Minnesota, does hereby constitute and appoint: E.S. Albrecht, Jr., C.K. Nakamura, Tim M. Tomko, Noemi Quiroz, Maria Pena, Lisa L. Thornton, Patricia S. Arana, Natalie K. Trofimoff, Jessica Rosser, each individually if there be more than one named, its true and lawful Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof; provided that no bond or undertaking executed under this authority shall exceed in amount the sum of: unlimited and the execution of such bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof in pursuance of these presents, shall be as binding upon said Company as if they had been fully signed by an authorized officer of the Company and sealed with the Company seal. This Power of Attorney is made and executed by authority of the following resolutions adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the President, any Senior Vice President or Vice-President (each an "Authorized Officer") may execute for and in behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and affix the seal of the Company thereto; and that the Authorized Officer may appoint and authorize an Attorney-in-Fact to execute on behalf of the Company any and all such instruments and to affix the Company seal thereto; and that the Authorized Officer may at any time remove any such Attorney-in-Fact and revoke all power and authority given to any such Attorney-in-Fact.

Resolved: That the Attorney-in-Fact may be given full power and authority to execute for and in the name and on behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed and sealed by an Authorized Officer and, further, the Attorney-in-Fact is hereby authorized to verify any affidavit required to be attached to bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof.

This power of attorney is signed and sealed by facsimile under the authority of the following Resolution adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the signature of an Authorized Officer, the signature of the Secretary or the Assistant Secretary, and the Company seal may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing an Attorney-in-Fact for purposes only of executing and sealing any bond, undertaking, recognizance or other written obligation in the nature thereof, and any such signature and seal where so used, being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, ATLANTIC SPECIALTY INSURANCE COMPANY has caused these presents to be signed by an Authorized Officer and the seal of the Company to be affixed this twenty-seventh day of April, 2020.

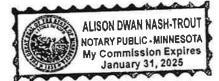


mersnam

Paul J. Brehm, Senior Vice President

STATE OF MINNESOTA HENNEPIN COUNTY

On this twenty-seventh day of April, 2020, before me personally came Paul J. Brehm, Senior Vice President of ATLANTIC SPECIALTY INSURANCE COMPANY, to me personally known to be the individual and officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, that he is the said officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the seal of said Company and that the said seal and the signature as such officer was duly affixed and subscribed to the said instrument by the authority and at the direction of the Company.



Uism Nash Ini

lotary Public

Bν

I, the undersigned, Secretary of ATLANTIC SPECIALTY INSURANCE COMPANY, a New York Corporation, do hereby certify that the foregoing power of attorney is in full force and has not been revoked, and the resolutions set forth above are now in force.

MAY 2.4 2021 day of_ Signed and sealed. Dated

KunthBar

Kara Barrow, Secretary

This Power of Attorney expires January 31, 2025

A notary public or other officer verifies only the identity of the document to which this certifica truthfulness, accuracy, or validi	te is attached, and not the	2010 2011 2011
STATE OF CHA)SS	*.
On 5/24/21	, before me,	Notary
Public, personally appeared , who proved to me on the within instrume	the basis of satisfactory evidence to the data acknowledged to me that he	o be the person(s) whose name(s) (s/are e/she/they executed the same in his/her/their

subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

This area for official notarial seal WITNESS my hand and official seal. J. MILLER Сомм. # 2235052 () OTARY PUBLIC - CALIFORNIA PLACER COUNTY COMM. EXP. APR. 16, 2022 Notary Signature

SUBDIVISION IMPROVEMENT AGREEMENT GUARANTEE AND WARRANTY SECURITY

WHEREAS, the City Council of the City of Elk Grove, State of California, and **Richmond American Homes of Maryland, Inc., a Maryland corporation** ("Principal") have entered into an agreement by which Principal agrees to install and complete certain designated public improvements and to guarantee and warrant the work for a period of one year following its completion and acceptance, which said agreement identified as <u>Subdivision Improvement Agreement – Subdivision No. 20-004</u> <u>Mendes Phase 1</u>, is hereby referred to and made a part hereof; and

WHEREAS, said Principal is required under the terms of said Agreement to furnish a bond to guarantee and warrant the work for a period of one year following its completion and acceptance against any defective work or labor done, or defective materials furnished, and further to pay all City engineering fees and other City fees incurred during the warranty period, to comply with the terms of said agreement.

NOW, THEREFORE, we, the Principal and <u>Atlantic Specialty Insurance Company</u>, admitted and duly authorized to transact business under the laws of the State of California as surety, are held and firmly bound unto the City of Elk Grove as obligee ("City"), in the penal sum of <u>Four Hundred Thirteen Thousand</u>, <u>Five Hundred Eighty-</u><u>Five Dollars (\$413,585)</u> lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the Principal, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, provisions in the said agreement and any alteration thereof made as therein provided, on his or its part to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless City, its officers, agents and employees, as therein stipulated, then if this obligation is fully performed in the opinion of the City this obligation shall become null and void otherwise it shall remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Agreement or to the work to be performed thereunder or the specifications accompanying the same shall in anyway affect its obligations of this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications. The surety waives all rights of subrogation against the City or any person employed by the City.

IN WITNESS WHEREOF, this Subdivision Maintenance Bond Guarantee and Warranty Security has been duly executed by the Principal and surety above named, on this <u>24th</u> day of <u>May</u> ____2021.

Atlantic Specialty Insurance Company Name of Surety

605 U.S. Highway 169, 8th Floor

Plymouth, MN 55441

Address of Surety

781-332-8120

Telephone No. of Surety

Maria Pena, Attorney-in-Fact

By

Jenny Tar, Vice President of Land Acquisition

Principal: RICHMOND AMERICAN HOMES OF MARYLAND, INC., a Maryland corporation

Contact: Jenny Tan Phone: 415-471-4088

NOTE: If Principal is a partnership, all partners should execute the bond.

IMPORTANT: Surety companies executing bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in California.

NOTICE: The signature of the Surety on this bond must be acknowledged before a notary public, and this bond must be accompanied by evidence that the appointment as attorney in fact has been recorded in Sacramento County.

MANDATORY: The Surety shall be authorized and licensed by the California Insurance Commissioner as an "admitted surety insurer."

APPROVAL: Bonds must be approved by City.

REQUEST TO INSURER TO SUBMIT DOCUMENTS: Execution of this document shall constitute the City's formal request to the insurer to provide the City with evidence of authorization as an admitted surety in the State of California from the California Department of Insurance and that the certificate of authority of the insurer has not been surrendered, revoked, canceled, annulled, or suspended.

POWER OF ATTORNEY REQUIRED. The Attorney-in-Fact (resident agent) who executes this bond on behalf of the surety company must attach a copy of his Power of Attorney as evidence of his authority. A notary shall acknowledge the power as of the date of the execution of the surety bond that it covers.

734271.2 Revised 1-30-2019 - 3 -

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

) ss

)

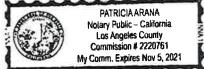
State of California

County of Los Angeles MAY 2 4 2021

On ______, before me, <u>Patricia Arana, Notary Public</u>, personally appeared <u>Maria Pena</u>, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.



(Seal)

Signature:

Patricia Arana, Notary Public



Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that ATLANTIC SPECIALTY INSURANCE COMPANY, a New York corporation with its principal office in Plymouth, Minnesota, does hereby constitute and appoint: E.S. Albrecht, Jr., C.K. Nakamura, Tim M. Tomko, Noemi Quiroz, Maria Pena, Lisa L. Thornton, Patricia S. Arana, Natalie K. Trofimoff, Jessica Rosser, each individually if there be more than one named, its true and lawful Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof; provided that no bond or undertaking executed under this authority shall exceed in amount the sum of: unlimited and the execution of such bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof in pursuance of these presents, shall be as binding upon said Company as if they had been fully signed by an authorized officer of the Company and sealed with the Company seal. This Power of Attorney is made and executed by authority of the following resolutions adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the President, any Senior Vice President or Vice-President (each an "Authorized Officer") may execute for and in behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and affix the seal of the Company thereto; and that the Authorized Officer may appoint and authorize an Attorney-in-Fact to execute on behalf of the Company any and all such instruments and to affix the Company seal thereto; and that the Authorized Officer may at any time remove any such Attorney-in-Fact and revoke all power and authority given to any such Attorney-in-Fact.

Resolved: That the Attorney-in-Fact may be given full power and authority to execute for and in the name and on behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed and sealed by an Authorized Officer and, further, the Attorney-in-Fact is hereby authorized to verify any affidavit required to be attached to bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof.

This power of attorney is signed and sealed by facsimile under the authority of the following Resolution adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the signature of an Authorized Officer, the signature of the Secretary or the Assistant Secretary, and the Company seal may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing an Attorney-in-Fact for purposes only of executing and sealing any bond, undertaking, recognizance or other written obligation in the nature thereof, and any such signature and seal where so used, being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, ATLANTIC SPECIALTY INSURANCE COMPANY has caused these presents to be signed by an Authorized Officer and the seal of the Company to be affixed this twenty-seventh day of April, 2020.

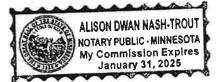


mersnam

Paul J. Brehm, Senior Vice President

STATE OF MINNESOTA HENNEPIN COUNTY

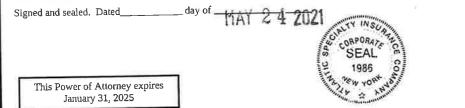
On this twenty-seventh day of April, 2020, before me personally came Paul J. Brehm, Senior Vice President of ATLANTIC SPECIALTY INSURANCE COMPANY, to me personally known to be the individual and officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly swom, that he is the said officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the seal of said Company and that the said seal and the signature as such officer was duly affixed and subscribed to the said instrument by the authority and at the direction of the Company.



fism Nashla

Notary Public

I, the undersigned, Secretary of ATLANTIC SPECIALTY INSURANCE COMPANY, a New York Corporation, do hereby certify that the foregoing power of attorney is in full force and has not been revoked, and the resolutions set forth above are now in force.



2 Bar

Kara Barrow, Secretary

Please direct bond verifications to surely@intactinsurance.com

A notary public or other officer of verifies only the identity of the i document to which this certifica truthfulness, accuracy, or validit	te is attached, and not the	2 2
STATE OF CA COUNTY OF PLACW On 52621 Public, personally appeared)ss) , before me, J.MIIW	, Notary
, who proved to me on the subscribed to the within instrument authorized capacity(ies), and that upon behalf of which the person(states)	he basis of satisfactory evidence to be the per- t and acknowledged to me that he/she/they evidence to be the per- by his/her/their signature(s) on the instrument) acted, executed the instrument.	son(s) whose name(s) (s/are xecuted the same in his/her/thei t the person(s), or the entity

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

This area for official notarial seal WITNESS my hand and official seal J. MILLER Сомм. # 2235052 Ø OTARY PUBLIC - CALIFORNIA PLACER COUNTY COMM. EXP. APR. 16, 2022 Notary Signature

BOND FOR SECURITY OF INSTALLATION OF MONUMENTS

WHEREAS, the City Council of the City of Elk Grove, State of California, and **Richmond American Homes of Maryland, Inc.**, a Maryland corporation (hereinafter designated as "Principal") have entered into an agreement whereby Principal agrees to install and complete certain designated public improvements, which said agreement identified as <u>Subdivision Improvement Agreement – Subdivision No.20-004</u> Mendes Phase 1, is hereby referred to and made a part hereof; and

WHEREAS, said Principal is required under the terms of said Agreement to furnish a bond for the installation of monuments pursuant to said Agreement.

NOW, THEREFORE, we, the Principal and <u>Atlantic Specialty Insurance Company</u>, as surety, are held and firmly bound unto the City of Elk Grove hereinafter called ("City"), in the sum of <u>Forty-One Thousand Three Hundred Fifty-Nine Dollars</u> (\$41,359), for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bounded Principal, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the installation of monuments pursuant to the said agreement and any alteration thereof made as therein provided, on his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless City, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by City in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder or the specifications accompanying the same shall in anyway affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

IN WITNESS WHEREOF, this Monument Bond has been duly executed by the Principal and surety above named, on this <u>24th</u> day of <u>May</u> 2021.

Atlantic Specialty Insurance Company Name of Surety

605 U.S. Highway 169, 8th Floor Plymouth, MN 55441

Address of Surety

781-332-8120

Telephone No. of Surety

Attorney-in-Fact, Maria Pena

By:

Jenny Tan Nice President of Land Acquisition

Principal: RICHMOND AMERICAN HOMES OF MARYLAND, INC., a Maryland corporation

Contact: Jenny Tan Phone: 415-471-4088

NOTE: If Principal is a partnership, all partners should execute the bond.

IMPORTANT: Surety companies executing bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in California.

NOTICE: The signature of the Surety on this bond must be acknowledged before a notary public, and this bond must be accompanied by evidence that the appointment as attorney in fact has been recorded in Sacramento County.

MANDATORY: The Surety shall be authorized and licensed by the California Insurance Commissioner as an "admitted surety insurer."

APPROVAL: Bonds must be approved by City.

REQUEST TO INSURER TO SUBMIT DOCUMENTS: Execution of this document shall constitute the City's formal request to the insurer to provide the City with evidence of authorization as an admitted surety in the State of California from the California Department of Insurance and that the certificate of authority of the insurer has not been surrendered, revoked, canceled, annulled, or suspended.

POWER OF ATTORNEY REQUIRED. The Attorney-in-Fact (resident agent) who executes this bond on behalf of the surety company must attach a copy of his Power of Attorney as evidence of his authority. A notary shall acknowledge the power as of the date of the execution of the surety bond that it covers.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

State of California

)) ss)

County of Los Angeles

On <u>MAY 2 4 2021</u>, before me, <u>Patricia Arana, Notary Public</u>, personally appeared <u>Maria Pena</u>, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

PATRICIA ARANA Notary Public - California Los Angeles County Commission # 2220761 Ay Comm, Expires Nov 5, 2021

(Seal)

Signature:

Patricia Arana, Notary Public



Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that ATLANTIC SPECIALTY INSURANCE COMPANY, a New York corporation with its principal office in Plymouth, Minnesota, does hereby constitute and appoint: E.S. Albrecht, Jr., C.K. Nakamura, Tim M. Tomko, Noemi Quiroz, Maria Pena, Lisa L. Thornton, Patricia S. Arana, Natalie K. Trofimoff, Jessica Rosser, each individually if there be more than one named, its true and lawful Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof; provided that no bond or undertaking executed under this authority shall exceed in amount the sum of: unlimited and the execution of such bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof in pursuance of these presents, shall be as binding upon said Company as if they had been fully signed by an authorized officer of the Company and sealed with the Company seal. This Power of Attorney is made and executed by authority of the following resolutions adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the President, any Senior Vice President or Vice-President (each an "Authorized Officer") may execute for and in behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and affix the seal of the Company thereto; and that the Authorized Officer may appoint and authorize an Attorney-in-Fact to execute on behalf of the Company any and all such instruments and to affix the Company seal thereto; and that the Authorized Officer may at any time remove any such Attorney-in-Fact and revoke all power and authority given to any such Attorney-in-Fact.

Resolved: That the Attorney-in-Fact may be given full power and authority to execute for and in the name and on behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed and sealed by an Authorized Officer and, further, the Attorney-in-Fact is hereby authorized to verify any affidavit required to be attached to bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof.

This power of attorney is signed and sealed by facsimile under the authority of the following Resolution adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the signature of an Authorized Officer, the signature of the Secretary or the Assistant Secretary, and the Company seal may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing an Attorney-in-Fact for purposes only of executing and sealing any bond, undertaking, recognizance or other written obligation in the nature thereof, and any such signature and seal where so used, being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, ATLANTIC SPECIALTY INSURANCE COMPANY has caused these presents to be signed by an Authorized Officer and the seal of the Company to be affixed this twenty-seventh day of April, 2020.



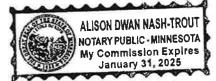
mersnam

Paul J. Brehm, Senior Vice President

STATE OF MINNESOTA HENNEPIN COUNTY

Signed and sealed. Dated_

On this twenty-seventh day of April, 2020, before me personally came Paul J. Brehm, Senior Vice President of ATLANTIC SPECIALTY INSURANCE COMPANY, to me personally known to be the individual and officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly swom, that he is the said officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the seal of said Company and that the said seal and the signature as such officer was duly affixed and subscribed to the said instrument by the authority and at the direction of the Company.



fism Narth Irin

Bv

I, the undersigned, Secretary of ATLANTIC SPECIALTY INSÜRANCE COMPANY, a New York Corporation, do hereby certify that the foregoing power of attorney is in full force and has not been revoked, and the resolutions set forth above are now in force. Signed and sealed. Dated day of MAY 2 4 2021

This Power of Attorney expires January 31, 2025



Kara Barrow, Secretary

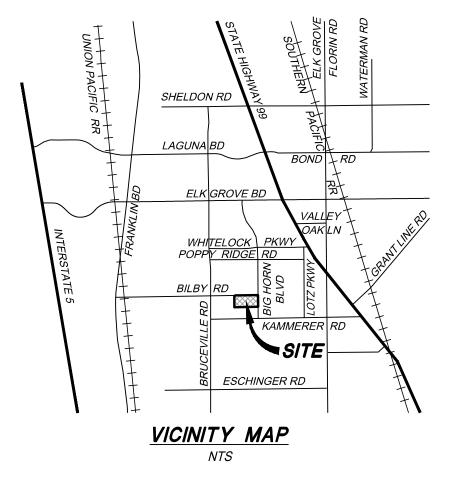
Please direct bond verifications to surety@intactinsurance.com

÷
, Notary
e name(s)(s/are same in his/ker/their
(s), or the entity
oing paragraph is
ER 35052 ALIFORNIA

Notary Signature

Page 2

ATTACHMENT 3 PROJECT LOCATION MAP SUBDIVISION No. 20-004 MENDES PROPERTY PHASE 1



CERTIFICATION ELK GROVE CITY COUNCIL RESOLUTION NO. 2021-162

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

I, Jason Lindgren, 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 June 23, 2021 by the following vote:

- AYES: COUNCILMEMBERS: Singh-Allen, Nguyen, Hume, Spease, Suen
- NOES: COUNCILMEMBERS: None
- ABSTAIN: COUNCILMEMBERS: None
- ABSENT: COUNCILMEMBERS: None

Jason Lindgren, City Clerk City of Elk Grove, California