



**CITY OF LODI  
COUNCIL COMMUNICATION**

**AGENDA TITLE:** Adopt Resolution Approving Improvement Agreements for Public Improvements for Reynolds Ranch, Phase II, Offsite and Onsite Improvements and Approving No-parking Zones on all of Reynolds Ranch Parkway and Harney Lane from Stockton Street to Reynolds Ranch Parkway

**MEETING DATE:** August 18, 2010

**PREPARED BY:** Public Works Director

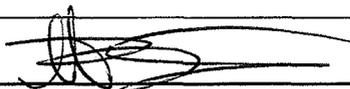
**RECOMMENDED ACTION:** Adopt resolution approving the Improvement Agreements for the Public Improvements for Reynolds Ranch, Phase II, offsite and onsite improvements and approving no-parking zones on all of Reynolds Ranch Parkway and Harney Lane from Stockton Street to Reynolds Ranch Parkway.

**BACKGROUND INFORMATION:** The project is located on Harney Lane, between Stockton Street and Reynolds Ranch Parkway, as shown on Exhibit A, and consists of roadway improvements along Harney Lane, signal improvements, and onsite public water main improvements in preparation for the Reynolds Ranch Shopping Center.

The developer, Reynolds Ranch Partners, Inc., has furnished the City with improvement plans and the necessary agreements for the proposed project. The developer's contractor has been added to the Improvement Agreement to furnish the bonding for the developer. The developer's contractor will be determined by September 1, 2010, at which time the developer's contractor will furnish the necessary bonds and execute the Improvement Agreement. The bonds will secure the contractor's/developer's performance under the Agreement.

The offsite public improvements include the installation of storm drain improvements, landscape and irrigation in the median, curb, gutter, sidewalk and street pavement improvements along Harney Lane and installation of signalized intersections at Reynolds Ranch Parkway/Rocky Lane, Reynolds Ranch Parkway/Le Baron Boulevard and Reynolds Ranch Parkway/Harney Lane. The City will pay for 50 percent of the cost of the signals at the Reynolds Ranch Parkway/Harney Lane intersection. The onsite improvements include the modification of the public water main on the Reynolds Ranch Shopping Center site and sidewalk and driveway improvements on Reynolds Ranch Parkway.

No-parking zones were established on all of Reynolds Ranch Parkway during Phase I of the Reynolds Ranch Project. The no-parking zones, however, must be adopted by resolution. No-parking zones will cover both the east and west sides of Reynolds Ranch Parkway (approximately 3,700 feet of roadway) and both north and south sides of Harney Lane from Stockton Street to Reynolds Ranch Parkway (approximately 1,900 feet of roadway). The Harney Lane no-parking zones are required because parking along major arterial roadways is prohibited in the Lodi Design Standards.

**APPROVED:**   
Konradt Bartlam, Interim City Manager

Currently, there are insufficient Street Impact Mitigation funds to pay for the City's portion of this project. Once Costco and Home Depot pay Street Impact Mitigation fees totaling \$458,320.30 and \$344,806.57 respectively, the Street Impact Mitigation funds will have the necessary funding for this project. The short term shortfall in funds will be covered by other funds within the Impact Mitigation Fee Program.

**FISCAL IMPACT:** There will be a slight increase in long-term maintenance costs for public infrastructure, such as streets and storm drain facilities. The costs may be off-set by future revenue from Community Facilities District No. 2007-1.

**FUNDING AVAILABLE:** Street Impact Fees (Fund 332) - \$662,700  
Reynolds Ranch Partners, Inc. - \$1,618,000

  
Jordan Ayers  
Deputy City Manager/Internal Services Director

  
F. Wally Sandelin  
Public Works Director

Prepared by Chris Boyer, Junior Engineer  
Attachment  
cc: Senior Civil Engineer Fujitani  
Reynolds Ranch Partners, Inc.  
Phillippi Engineering



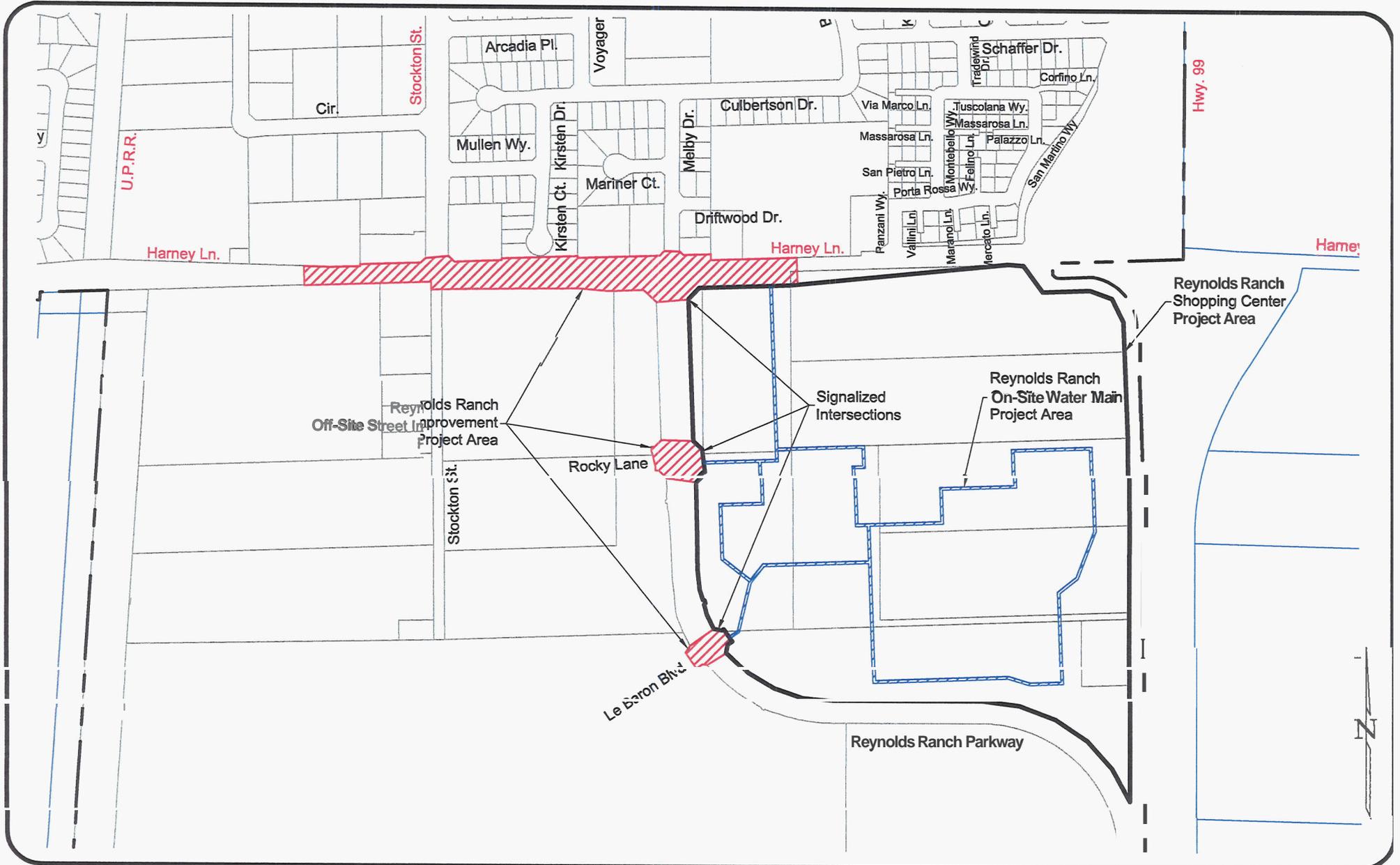
# CITY OF LODI

PUBLIC WORKS DEPARTMENT

## Exhibit A

### Harney Lane Improvements

500' West of Stockton St to Reynolds Ranch Pkwy



IMPROVEMENT AGREEMENT  
for the  
PUBLIC IMPROVEMENTS  
for  
REYNOLDS RANCH PHASE 2

THIS AGREEMENT is made and entered into by and between the CITY OF LODI, hereinafter referred to as "City", and REYNOLDS RANCH PARTNERS, INC., hereinafter referred to as "Developer", and GENERAL CONTRACTOR, hereinafter referred to as "Developer's Contractor".

RECITALS:

Developer has presented to City for approval public improvement plans for the Reynolds Ranch, Phase 2 development, hereinafter called "project", along with the legal descriptions and exhibits for the necessary street and easement dedications which will be provided under separate instruments.

Developer has requested approval of public improvement plans for the construction and completion of public improvements, including all streets, highways or public ways and public utility facilities which are a part of or appurtenant to the project, all in accordance with and as required by the plans and specifications for all or any of said improvements in, appurtenant to, or outside the limits of project, which plans and specifications are now on file in the office of and endorsed with the approval of the Public Works Director or his designee.

Council of the City will accept the dedications offered on condition that Developer first enter into and execute this agreement with City; and

Developer's Contractor is made a party to this agreement solely to secure the Faithful Performance Bonds and Labor and Materials Bonds referred to in Paragraph 13. Developer's Contractor has no other obligations under this agreement.

This agreement is executed pursuant to the provisions of the Subdivision Map Act of the State of California and Title 15 and 16 of the Lodi City Code.

NOW THEREFORE, for and in consideration of the acceptance of the dedications offered, and in order to insure satisfactory performance by Developer of Developer's obligations under State law and City code, the parties agree as follows:

1. Performance of Work by Developer

Developer will do and perform, or cause to be done and performed at Developer's own expense, in a good and workmanlike manner, and furnish all required materials, all under the direction and to the satisfaction of the Public Works Director, all of the work and improvements as shown on the approved improvement plans for the project, Drawing Nos. 008D013-01 through 008D013-32, which are on file in the Public Works Department.

The Developer shall also perform or cause to be performed the following items which are not shown on the improvement plans:

- A. Street light installation and connection to City system
- B. Natural gas line installation
- C. Telephone line installation
- D. Electrical system
- E. Cable television system

2. Development Changes

Developer shall also perform all work and furnish all materials necessary to comply with any changes required by the Public Works Director, which, in his opinion, are necessary or required to complete the work in conformance with City Standards or are the result of changed conditions.

3. Performance of Work by City

Prior to the issuance of the building permit by the City, it is agreed that the Developer shall deposit with the City the amount of money shown as the "Developer Cost" on Billing Schedule attached hereto and by this reference made a part hereof.

From payments made under Billing Schedule, Developer elects to have the City perform or install or cause the installation of the following items:

- A. Street seal coat
- B. Fire hydrant markers
- C. Televideo inspection of the public sewer and storm drain lines. The fee shown on the Billing Schedule is based on the linear footage of sewer and storm drain pipe, including laterals, shown on the improvement plans. The fee will be adjusted, if necessary, when the televideo inspection is complete. Any additional fee must be paid prior to project acceptance.
- D. Storm Water Permit Compliance Inspections. The fee shown on the Billing Schedule is based on one (1) inspection per month for construction activities covering one (1) wet season (October 2010 to April 2011). The fee will be adjusted, if necessary, when the improvements are complete and ready for acceptance by the City. Any additional fee must be paid prior to project acceptance.

Developer shall also pay all additional costs for work performed by City forces deemed by the Public Works Director necessary to complete the work under this agreement in conformance with City Standards.

4. Development Impact Mitigation Fees

Development Impact Mitigation Fees for water, wastewater capacity, street improvements, police, fire and general City facilities are required for this project. The fees shall be paid in conformance with the terms of the Development Agreement by and Between the City of Lodi and San Joaquin Valley Land Company, LLC recorded as Document No. 2006-268372 in the Official Records of San Joaquin County. In conformance with LMC 15.64.050, the fees are automatically adjusted on January 1 of each year.

5. Reimbursement for City-Funded Facilities Built by Developer

In conformance with LMC 16.40 Reimbursements for Construction, City agrees to reimburse Developer for public improvements to be installed with the project as listed below and shown on the attached Cost Estimate for Improvement Security:

- A. Excess width street pavement improvements in Harney Lane (500 feet west of Stockton Street to 500 feet east of Melby Way).
- B. 50 percent of the traffic signal at Reynolds Ranch Parkway and Harney Lane intersection, Reynolds Ranch Parkway and Rocky Lane intersection, and Reynolds Ranch Parkway and Le Baron Boulevard.

Developer shall provide a request for payment that includes descriptions of the work items, quantities, and contract unit prices conforming to the Bid Item List guidelines in Appendix A-2 of the City of Lodi Public Improvement Design Standards and supporting invoices or other documentation as required by the Public Works Department. Reimbursement will be made when the improvements are complete and accepted by the City.

6. Street and Public Utility Easement Dedications

Developer shall acquire, without cost to the City of Lodi, street, public utility and temporary construction easements to the approval of the Public Works Director to allow construction of street and public utility improvements shown on the approved plans for the project. The Developer's engineer shall provide the legal descriptions, with exhibits showing the location of each dedication, for review and approval by the City. City staff will prepare the easement deeds. Developer shall have the deeds executed by the property owners, notarized and returned to the City for recordation.

7. Work; Time for Commencement and Performance

Developer shall, within 365 calendar days from the date of this agreement, perform or cause to be performed all work and/or improvements described under this agreement. At least 15 calendar days prior to the commencement of work hereunder, Developer shall notify the Public Works Director of the date fixed by Developer for commencement thereof so that City can provide inspection services.

8. Time Extension

Time is of the essence of this agreement. The City may extend the time for completion of the improvements hereunder under the terms of an addendum to this agreement which shall be approved by the City Manager. Any such extension may be granted without notice to the Developer's surety, and extensions so granted shall not relieve the surety's liability on the bond to secure the faithful performance of this agreement. The City Manager shall be the sole and final judge as to whether or not good cause has been shown to entitle Developer to an extension.

9. Record Drawings and Certifications

Prior to acceptance of the project improvements, the Developer shall have provided record drawings and certifications as described in the City of Lodi Public Improvement Design Standards.

10. Permits; Compliance with Law

Developer shall, at Developer's expense, obtain all necessary permits and licenses for the construction of such improvements, give all necessary notices and pay all fees and taxes required by law.

11. Superintendence by Developer

Developer shall give personal superintendence to the work on said improvement, or have a competent agent, foreman or superintendent, satisfactory to the Public Works Director, on the work at all times during progress, with authority to act for Developer.

12. Inspection by City

Developer shall at all times maintain proper facilities and provide safe access for inspection by City to all parts of the work. Inspections will be provided during normal working hours. Developer will be billed for inspections on work performed on weekends, holidays and overtime. Developer shall also pay all additional costs incurred by City for soils and materials testing and/or inspection services required as a part of City inspection activities.

13. Contract Security

Concurrently with the execution hereof, Developer's Contractor shall furnish Improvement Security of at least 100% of the estimated cost of public improvements plus deferred fees and engineering costs of surveying, record drawings and certifications as security for the faithful performance of this agreement and repair or replacement of defective work under Paragraph 19 following; and an amount equal to at least 50% of the above costs as security for the payment of all persons performing labor and furnishing materials in connection with this agreement as more fully described in the State Subdivision Map Act.

The City has determined these security amounts to be as follows:

Faithful Performance	\$2,280,700.00
Labor and Materials	\$1,140,350.00

14. Warranty Security

~~Prior to acceptance of the project improvements by the City, Developer shall furnish Warranty Security of at least 10% of the total cost of the public improvements as security for repair or replacement of defective work under Paragraph 19 following.~~ The warranty period for repair or replacement of defective work shall be two (2) years following the date of acceptance of the improvements. If any portion of the project receives partial acceptance during the course of construction, the warranty period for all required project improvements shall commence upon the date of final acceptance for the entire project.

15. Hold-Harmless Agreement

Developer hereby agrees to, and shall, hold City, its elective and appointive boards, commissions, officers, agents and employees, harmless from any liability for damage or claims for damage for personal injury, including death, as well as from claims for property damage which may arise from Developer's or Developer's contractors', subcontractors', agents' or employees' operations under this agreement, whether such operations be by Developer or by any of Developer's contractors, subcontractors, or by any one or more persons directly or indirectly employed by, or acting as agent for, Developer or any of Developer's contractors or subcontractors. Developer agrees to, and shall, defend City and its elective and appointive boards, commissions, officers, agents and employees from any suits or actions at law or in equity for damages caused, or alleged to have been caused, by reason of any of the aforesaid operations; provided as follows:

- A. That City does not, and shall not, waive any rights against Developer which it may have by reason of the aforesaid hold-harmless agreement, because of the acceptance by City, or the deposit with City by Developer, of any of the insurance policies described in Paragraph 16 hereof.

- B. That the aforesaid hold-harmless agreement by Developer shall apply to all damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any of the aforesaid operations referred to in this paragraph, regardless of whether or not City has prepared, supplied or approved of, plans and/or specifications for the project, or regardless of whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

16. Developer's Insurance

Developer shall not commence work under this agreement until Developer shall have obtained all insurance required under this paragraph, nor shall Developer allow any contractor or subcontractor to commence work on Developer's contract or subcontract until all similar insurance required of the contractor or subcontractor shall have been so obtained. All requirements herein provided shall appear either in the body of the insurance policies or as endorsements and shall specifically bind the insurance carrier.

A. Compensation Insurance

Developer shall maintain, during the life of this agreement, Worker's Compensation Insurance for all Developer's employees employed at the site of improvement, and in case any work is sublet, Developer shall require any contractor or subcontractor similarly to provide Worker's Compensation Insurance for all contractors' or subcontractors' employees, unless such employees are covered by the protection afforded by Developer. Developer hereby indemnifies City for any damage resulting to it from failure of either Developer or any contractor or subcontractor to take out or maintain such insurance.

B. Comprehensive General and Automobile Insurance

Developer shall take out and maintain during the life of this agreement such insurance as shall insure City, its elective and appointive boards, commissions, officers, agents and employees, Developer and any contractor or subcontractor performing work covered by this agreement from claims for damages for personal injury, including death, as well as from claims for property damage which may arise on the project property, including any public streets or easements, from Developer's or any contractors' or subcontractors' operations hereunder, whether such operations be by Developer or any contractor or subcontractor or by anyone directly or indirectly employed by either Developer or any contractor or subcontractor, and the amount of such insurance shall be as follows:

1. COMPREHENSIVE GENERAL LIABILITY

\$2,000,000 Bodily Injury - Each Occurrence/Aggregate  
\$2,000,000 Property Damage - Each Occurrence/Aggregate  
or  
\$2,000,000 Combined Single Limit

2. COMPREHENSIVE AUTOMOBILE LIABILITY

\$2,000,000 Bodily Injury - Each Person  
\$2,000,000 Bodily Injury - Each Occurrence  
\$2,000,000 Property Damage - Each Occurrence  
or  
\$2,000,000 Combined Single Limit

Developer must have comprehensive automobile liability only if Developer's vehicles are used on-site.

**NOTE:** Developer agrees and stipulates that any insurance coverage provided to the City of Lodi shall provide for a claims period following termination of coverage which is at least consistent with the claims period or statutes of limitations found in the California Tort Claims Act (California Government Code Section 810 et seq.).

"Claims made" coverage requiring the insureds to give notice of any potential liability during a time period shorter than that found in the Tort Claims Act shall be unacceptable.

A copy of the certificate of insurance with the following endorsements shall be furnished to the City:

A. Additional Named Insured Endorsement

Such insurance as is afforded by this policy shall also apply to the City of Lodi, its elected and appointed boards, commissions, officers, agents and employees as additional named insured insofar as work performed by the insured under written contract with the City of Lodi. This endorsement shall be on the form furnished by the City and shall be included with Developer's policies.

B. Primary Insurance Endorsement

Such insurance as is afforded by the endorsement for the additional insureds shall apply as primary insurance. Any other insurance maintained by the City of Lodi or its officers and employees shall be excess only and not contributing with the insurance afforded by this endorsement.

C. Severability of Interest Clause

The term "insured" is used severally and not collectively, but the inclusion herein of more than one insured shall not operate to increase the limit of the company's liability.

17. Evidence of Insurance

Developer shall furnish City, concurrently with the execution hereof, with satisfactory evidence of the insurance required and evidence that each carrier is required to give City at least 30 days prior notice of the cancellation or reduction in coverage of any policy during the effective period of this agreement. The address of the City of Lodi must be shown on the certificate of insurance, i.e., City of Lodi, 221 West Pine Street, Lodi, CA 95240.

18. Title to Improvements

Title to, and ownership of, all public improvements constructed hereunder by Developer shall vest absolutely in City upon completion and acceptance of such public improvements by City.

19. Repair or Reconstruction of Defective Work

If, within a period of two (2) years after final acceptance by City of the work performed under this agreement, any structure or part of any structure furnished and/or installed or constructed, or caused to be installed or constructed by Developer, or any of the work done under this agreement, including the mitigation measures for dust and erosion control, fails to fulfill any of the requirements of this agreement plans and specifications referred to herein, Developer and Developer's Contractor surety shall, without delay and without cost to City, repair or replace or reconstruct any defective or otherwise

unsatisfactory part or parts of the work or structure. Should Developer or Developer's Contractor surety fail to act promptly or in accordance with this requirement, or should the exigencies of the case require repairs or replacements to be made before Developer can be notified, City may, at its option, make the necessary repairs or replacements or perform the necessary work, and Developer shall pay to City the actual cost of such repairs plus 15% for administration and overhead costs.

20. Repair or Replacement of City-owned Bypass Meter Assemblies

The Developer is required by the City to install bypass meter assemblies in conjunction with the installation of water mains in the City of Lodi. The City will supply these assemblies upon receipt of a deposit in the amount of \$5,000.00 for each assembly required. The purpose of the deposit is to guarantee the return of the assembly in good condition and fulfillment of the other obligations shown in the City's Policies and Procedures entitled "Metering Water Usage of New Water Mains Requiring Temporary Bypasses", a copy of which is attached hereto and made a part hereof.

21. Mud, Debris, Dust and Erosion

Developer agrees and covenants not to permit mud or other debris to be tracked from the construction site or elsewhere onto City or County streets or onto private property without express permission. Developer further agrees not to cause damage to City or County streets.

Should any mud or debris be deposited in City or County streets or any damage caused to City or County streets, the Developer shall have the same removed or repaired forthwith, and if not removed or repaired upon notice within a specified time, the City shall cause the same to be removed or repaired and the Developer shall be charged for the cost of said removal or repairs.

The Developer, Developer's contractor and/or agents shall be responsible so no dust or erosion problems are created during construction, including installation of telephone, electrical, cable television and gas facilities. Developer's responsibility for dust and erosion control shall extend to include a period of one year from the date of final acceptance by the City of the work performed under this agreement.

If a dust or erosion problem arises during development or within a period of one year from the date of final acceptance by the City of the work performed under this agreement, including but not limited to installation of telephone, electrical, cable television, and/or gas facilities, and has not, after notice, been abated by Developer within a specified period of time, the City shall cause the same to be controlled, and the Developer shall be charged with the cost of said control.

22. Fire Protection During Construction

Fire protection facilities approved by the Fire Chief, including all-weather access road and an approved water supply capable of supplying the required fire flow, shall be installed and made serviceable in accordance with the City fire code prior to and during the time of building construction. The above may be modified when alternate methods of protection approved by the Fire Chief are provided.

23. Protection of Existing Improvements

Damage to any existing improvements or private or public utility lines installed or being installed which damage occurs during the onsite and offsite construction required of Developer shall be the absolute responsibility and liability of Developer. In other words, it shall be the Developer's responsibility to pay for damage to existing improvements and public or private utilities within the development. Damage to any existing facilities outside

the limits of the project area damaged as part of the construction of the required project improvements is also the Developer's responsibility.

24. Dwelling Occupancy

The City will not allow occupancy of any building or structure within the project until all public improvements have been approved and accepted by the Public Works Department per established City policy and other requirements of the City codes have been met. If building is started prior to acceptance of the improvements, it is the Developer's responsibility to inform all prospective purchasers that occupancy will not be permitted until said fees are paid and public improvements are so accepted.

25. Developer Not Agent of City

Neither Developer nor any of Developer's agents or contractors are or shall be considered to be agents of City in connection with the performance of Developer's obligations under this agreement.

26. Notice of Breach and Default

If Developer refuses or fails to obtain prosecution of the work, or any severable part thereof, with such diligence as will insure its completion within the time specified, or any extensions thereof, or fails to obtain completion of said work within such time, or if the Developer should be adjudged bankrupt, or Developer should make a general assignment for the benefit of Developer's creditors, or if a receiver should be appointed in the event of Developer's insolvency, or if Developer or any of Developer's contractors, subcontractors, agents or employees, should violate any of the provisions of this agreement, the Public Works Director or City Council may serve written notice upon Developer and Developer's Contractor's surety of breach of this agreement, or any portion thereof, and the default of Developer.

27. Breach of Agreement; Performance by Surety or City

In the event of any such notice, Developer's Contractor's surety shall have the duty to take over and complete the work and the improvements herein specified; provided however, that if the surety, within five days after the serving upon it of such notice of breach, does not give City written notice of its intention to take over the performance of the contract, and does not commence performance thereof within 5 days after notice to City of such election, City may take over the work 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 Developer, and Developer's Contractor's surety shall be liable to City for any excess cost or damage 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, plant and other property belonging to Developer as may be on the site of the work and necessary therefor.

28. Notices

All notices herein required shall be in writing, and delivered in person or sent by registered mail, postage prepaid.

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

F. Wally Sandelin,  
Public Works Director  
221 West Pine Street  
P. O. Box 3006  
Lodi, CA 95241-1910

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

---

---

---

---

Notices required to be given to Developer's agent shall be addressed as follows:

---

---

---

---

Notices required to be given to Developer's Contractor shall be addressed as follows:

---

---

---

---

Notices required to be given to Developer's Contractor surety shall be addressed as follows:

---

---

---

---

Provided that either party or the surety may change such address by notice in writing to the other party and thereafter notices shall be addressed and transmitted to the new address.

29. Execution

In Witness Whereof, Developer, Developer's Contractor and City have caused their names to be hereunto affixed and the City of Lodi has caused its corporate name and seal to be hereunto affixed by its proper officers thereunto duly authorized.

REYNOLDS RANCH PARTNERS, INC.

\_\_\_\_\_  
Date

\_\_\_\_\_  
\_\_\_\_\_

DEVELOPER'S CONTRACTOR

\_\_\_\_\_  
Date

\_\_\_\_\_  
\_\_\_\_\_

(CORPORATE SEAL)

CITY OF LODI, A MUNICIPAL CORPORATION

By: \_\_\_\_\_  
Konradt Bartlam, Interim City Manager

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
Randi Johl, City Clerk

\_\_\_\_\_  
Date

APPROVED AS TO FORM:

\_\_\_\_\_  
D. Stephen Schwabauer, City Attorney



IMPROVEMENT SECURITY  
Faithful Performance Bond

Bond No. \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the City of Lodi, a municipal corporation, hereinafter designated "City", and GENERAL CONTRACTOR, hereinafter designated "Principal," have entered into an agreement dated \_\_\_\_\_, whereby Principal agrees to install and complete certain designated public improvements and pay appropriate development impact mitigation fees within 365 CALENDAR DAYS FROM THE DATE OF THE AGREEMENT, in the development known as Reynolds Ranch, Phase 2. This agreement is on file in the office of the Public Works Director of the City of Lodi, and is referred to and made a part hereof; and

WHEREAS, said Principal is required under the terms of said agreement to furnish a bond for faithful performance of said agreement.

NOW, THEREFORE, we, the Principal and \_\_\_\_\_, as surety, are held and firmly bound unto the City in the penal sum of TWO MILLION TWO HUNDRED EIGHTY THOUSAND SEVEN HUNDRED AND NO/100 DOLLARS (\$2,280,700.00) 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 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 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 work to be performed or the specifications accompanying the same shall in anywise affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the work or to the specifications.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and surety above named, on

\_\_\_\_\_

SURETY:

PRINCIPAL:

\_\_\_\_\_

\_\_\_\_\_

by: \_\_\_\_\_

\_\_\_\_\_

Attorney-in-fact

\_\_\_\_\_

\_\_\_\_\_

Agent

\_\_\_\_\_

\_\_\_\_\_

Address

Address

APPROVED AS TO FORM: \_\_\_\_\_

City Attorney

IMPROVEMENT SECURITY  
Labor and Materials Bond

Bond No. \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the City of Lodi, a municipal corporation, hereinafter designated "City," and GENERAL CONTRACTOR, hereinafter designated "Principal," have entered into an agreement dated \_\_\_\_\_ whereby Principal agrees to install and complete certain designated public improvements and pay appropriate development impact mitigation fees within 365 CALENDAR DAYS FROM THE DATE OF THE AGREEMENT, in the development known as Reynolds Ranch, Phase 2. This agreement is on file in the office of the Public Works Director of the City of Lodi, and is 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 to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

NOW, THEREFORE, said Principal and the undersigned as corporate surety, are held and firmly bound unto the City and all contractors, subcontractors, laborers, materialmen and other persons employed in the performance of the aforesaid improvements and referred to in the aforesaid Code of Civil Procedure in the sum of ONE MILLION ONE HUNDRED FORTY THOUSAND THREE HUNDRED FIFTY AND NO/100 DOLLARS (\$1,140,350.00), 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 said 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's fees, incurred by City in successfully enforcing such 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 Title 15 (commencing with Section 3082) of Part 4 of Division 3 of Civil Code, 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 work to be performed or the specifications accompanying the same shall in anywise affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the work or to the specifications.

IN WITNESS WHEREOF, this instrument has been duly executed by the principal and surety above named, on

\_\_\_\_\_  
SURETY:

\_\_\_\_\_  
PRINCIPAL:

by: \_\_\_\_\_

Attorney-in-fact

\_\_\_\_\_

Agent

\_\_\_\_\_

Address

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Address

APPROVED AS TO FORM: \_\_\_\_\_

City Attorney

Development: Reynolds Ranch, Phase II  
Developer: Reynolds Ranch Partners  
Engineer: Phillippi Engineering

Acres: 2.00  
Date: 8/4/10

TOTAL COST OF PROJECT IMPROVEMENTS					A. DEVELOPER COST		B. COST OF CITY-FUNDED FACILITIES TO BE BUILT BY DEVELOPER		
Item	Description	Quantity	Unit	Price	Total	Quantity	Total	Quantity	Total
<b>Street System</b>									
1	Clearing & Grubbing	2.00	Acre	\$1,097.00	\$2,194.00	2.00	\$2,194.00	0	\$0.00
2	Compact Original Ground (0.50')	81,518	SF	0.20	16,303.60	42,677	8,535.40	38,841	7,768.20
3	Aggregate Base, Class II (0.70')	74,468	SF	1.00	74,468.00	42,677	42,677.00	31,791	31,791.00
4	Asphalt Concrete, Type B (0.60')	74,468	SF	2.10	156,382.80	42,677	89,621.70	31,791	66,761.10
5	Sawcut	1,355	LF	3.00	4,065.00	0	0.00	1,355	4,065.00
6	Vertical Curb and Gutter	1,250	LF	24.00	30,000.00	1,250	30,000.00	0	0.00
7	Sidewalk	3,190	SF	6.00	19,140.00	3,190	19,140.00	0	0.00
8	Curb Return, including Handicap Ramp	4	EA	2,742.00	10,968.00	4	10,968.00	0	0.00
9	Mid Block Ramp	2	EA	2,743.00	5,486.00	2	5,486.00	0	0.00
10	Median Curb	1,462	LF	22.00	32,164.00	0	0.00	1,462	32,164.00
11	Sidewalk Barricade	2	EA	548.00	1,096.00	2	1,096.00	0	0.00
12	Remove Existing Pavement	26,523	SF	7.00	185,661.00	11,170	78,190.00	15,353	107,471.00
13	Street Lights (Mast Type 250 Watt)	8	EA	2,742.00	21,936.00	8	21,936.00	0	0.00
14	Street Signs	22	EA	494.00	10,868.00	22	10,868.00	0	0.00
15	Traffic Striping	7,628	LF	1.00	7,628.00	4,372 <sup>(1)</sup>	4,371.54	3,256	3,256.46
16	Signalized Intersection	3	EA	329,007.00	987,021.00	2.5	822,517.50	0.5	164,503.50
17	Landscape & Irrigation	5,646	SF	11.00	62,106.00	5,646	62,106.00	0	0.00
18	Median Landscape & Irrigation	10,107	SF	11.00	111,177.00	0	0.00	10,107	111,177.00
19	Temporary Swale	660	LF	5.00	3,300.00	660	3,300.00	0	0.00
20	Erosion Control	2.00	Acre	2,193.00	4,386.00	1.15 <sup>(1)</sup>	2,513.58	0.85	1,872.42
				<b>Subtotal</b>	<b>\$1,746,350.40</b>	<b>Subtotal</b>	<b>\$1,215,520.72</b>	<b>Subtotal Street System</b>	<b>\$530,829.68</b>
								10% Engineering & Administration	53,082.97
								<b>Total Street System</b>	<b>\$583,912.64</b>
<b>Storm Drain System</b>									
1	12" Storm Drain Pipe (PVC)	739	LF	\$38.00	\$28,082.00	739	\$28,082.00	0	\$0.00
2	15" Storm Drain Pipe (PVC)	509	LF	49.00	24,941.00	509	24,941.00	0	0.00
3	18" Storm Drain Pipe (PVC)	55	LF	60.00	3,300.00	55	3,300.00	0	0.00
4	48" Storm Drain Manhole	4	EA	3,290.00	13,160.00	4	13,160.00	0	0.00
5	Side Inlet Catch Basin	6	EA	2,193.00	13,158.00	6	13,158.00	0	0.00
6	Connect to Existing Storm Drain	2	EA	5,483.00	10,966.00	2	10,966.00	0	0.00
				<b>Subtotal</b>	<b>\$93,607.00</b>	<b>Subtotal</b>	<b>\$93,607.00</b>	<b>Subtotal Storm Drain System</b>	<b>\$0.00</b>
								10% Engineering & Administration	0.00
								<b>Total Storm Drain System</b>	<b>\$0.00</b>

TOTAL COST OF PROJECT IMPROVEMENTS						A. DEVELOPER COST		B. COST OF CITY-FUNDED FACILITIES TO BE BUILT BY DEVELOPER	
Item	Description	Quantity	Unit	Price	Total	Quantity	Total	Quantity	Total
	<b>Water System</b>								
1	10" Recycled Water Pipe (PVC)	1,321	LF	\$49.00	\$64,729.00	1,321	\$64,729.00	0	\$0.00
2	8" Water Valve	1	EA	\$1,316.00	\$1,316.00	1	\$1,316.00	0	\$0.00
3	10" Water Valve	3	EA	\$1,645.00	\$4,935.00	3	\$4,935.00	0	\$0.00
4	Temporary Blow Off Valve	1	EA	\$439.00	\$439.00	1	\$439.00	0	\$0.00
5	Fire Hydrant Assembly	5	EA	3,290.00	16,450.00	5	16,450.00	0	0.00
6	Hot Tap and Valve	5	EA	5,483.00	27,415.00	5	27,415.00	0	0.00
7	Landscape Service	3	EA	932.00	2,796.00	2	1,864.00	1	932.00
				<b>Subtotal</b>	\$118,080.00	<b>Subtotal</b>	\$117,148.00	<b>Subtotal Water System</b>	\$932.00
								10% Engineering & Administration	93.20
								<b>Total Water System</b>	\$1,025.20
				<b>Total</b>	\$1,958,037.40	<b>Total</b>	\$1,426,275.72	<b>Total</b>	\$584,937.84
Total Construction Cost Subject to Engineering Fee Calculation (A. Developer Cost)							\$1,426,275.72		\$584,937.84
Contingencies (10% of Construction Costs)							\$142,627.57		\$58,493.78
Construction Engineering & Staking @ 3% ±							47,096.70		\$19,268.37
As-built Plans & Certifications							\$2,000.00		\$0.00
<b>TOTAL COST FOR ENGINEERING FEE CALCULATION</b>						<b>A. Total</b>	\$1,618,000.00	<b>B. Total</b>	\$662,700.00

<sup>(1)</sup> Prorated based on proportionate share of AC costs

**TOTAL IMPROVEMENT SECURITY AMOUNTS:**

Faithful Performance: 100% of A & B \$2,280,700.00  
Labor & Materials: 50% of A & B \$1,140,350.00

IMPROVEMENT AGREEMENT  
for the  
PUBLIC IMPROVEMENTS  
for  
REYNOLDS RANCH PHASE 2 - ONSITE

THIS AGREEMENT is made and entered into by and between the CITY OF LODI, hereinafter referred to as "City", and REYNOLDS RANCH PARTNERS, INC., hereinafter referred to as "Developer", and GENERAL CONTRACTOR, hereinafter referred to as "Developer's Contractor".

RECITALS:

Developer has presented to City for approval public improvement plans for the Reynolds Ranch, Phase 2 development, hereinafter called "project", along with the legal descriptions and exhibits for the necessary easement dedications which will be provided under separate instruments.

Developer has requested issuance of the building permit (B10-0432) prior to the construction and completion of public improvement as a condition of approval of the construction of site preparation for the Reynolds Ranch Shopping Center and completion of public improvements, including all public ways and public utility facilities which are a part of or appurtenant to the project, all in accordance with and as required by the plans and specifications for all or any of said improvements in, appurtenant to, or outside the limits of project, which plans and specifications are now on file in the office of and endorsed with the approval of the Public Works Director or his designee.

The City will issue to Developer the building permit on the condition that Developer first enter into and execute this agreement with City and meet other City code requirements pertaining to building permit issuance.

Developer's Contractor is made a party to this agreement solely to secure the Faithful Performance Bonds and Labor and Materials Bonds referred to in Paragraph 12. Developer's Contractor has no other obligations under this agreement.

This agreement is executed pursuant to the provisions of the Subdivision Map Act of the State of California and Title 15 and 16 of the Lodi City Code.

NOW THEREFORE, for and in consideration of the acceptance of the dedications offered, and in order to insure satisfactory performance by Developer of Developer's obligations under State law and City code, the parties agree as follows:

1. Performance of Work by Developer

Developer will do and perform, or cause to be done and performed at Developer's own expense, in a good and workmanlike manner, and furnish all required materials, all under the direction and to the satisfaction of the Public Works Director, all of the work and improvements as shown on the approved improvement plans for the project, Drawing Nos. 010D003-01 through 010D003-14, which are on file in the Public Works Department.

2. Development Changes

Developer shall also perform all work and furnish all materials necessary to comply with any changes required by the Public Works Director, which, in his opinion, are necessary or required to complete the work in conformance with City Standards or are the result of changed conditions.

3. Performance of Work by City

Prior to the issuance of the building permit by the City, it is agreed that the Developer shall deposit with the City the amount of money shown as the "Developer Cost" on Billing Schedule attached hereto and by this reference made a part hereof.

Developer shall also pay all additional costs for work performed by City forces deemed by the Public Works Director necessary to complete the work under this agreement in conformance with City Standards.

4. Development Impact Mitigation Fees

Development Impact Mitigation Fees for water, wastewater capacity, street improvements, storm drain, police, fire and general City facilities are required for this project. The fees shall be paid in conformance with the terms of the Development Agreement by and Between the City of Lodi and San Joaquin Valley Land Company, LLC recorded as Document No. 2006-268372 in the Official Records of San Joaquin County. In conformance with LMC 15.64.050, the fees are automatically adjusted on January 1 of each year.

5. Street and Public Utility Easement Dedications

Developer shall acquire, without cost to the City of Lodi, street, public utility and temporary construction easements to the approval of the Public Works Director to allow construction of street and public utility improvements shown on the approved plans for the project. The Developer's engineer shall provide the legal descriptions, with exhibits showing the location of each dedication, for review and approval by the City. City staff will prepare the easement deeds. Developer shall have the deeds executed by the property owners, notarized and returned to the City for recordation.

6. Work; Time for Commencement and Performance

Developer shall, within 365 calendar days from the date of this agreement, perform or cause to be performed all work and/or improvements described under this agreement. At least 15 calendar days prior to the commencement of work hereunder, Developer shall notify the Public Works Director of the date fixed by Developer for commencement thereof so that City can provide inspection services.

Time Extension

Time is of the essence of this agreement. The City may extend the time for completion of the improvements hereunder under the terms of an addendum to this agreement which shall be approved by the City Manager. Any such extension may be granted without notice to the Developer's surety, and extensions so granted shall not relieve the surety's liability on the bond to secure the faithful performance of this agreement. The City Manager shall be the sole and final judge as to whether or not good cause has been shown to entitle Developer to an extension.

8. Record Drawings and Certifications

Prior to acceptance of the project improvements, the Developer shall have provided record drawings and certifications as described in the City of Lodi Public Improvement Design Standards.

9. Permits; Compliance with Law

Developer shall, at Developer's expense, obtain all necessary permits and licenses for the construction of such improvements, give all necessary notices and pay all fees and taxes required by law.

10. Superintendence by Developer

Developer shall give personal superintendence to the work on said improvement, or have a competent agent, foreman or superintendent, satisfactory to the Public Works Director, on the work at all times during progress, with authority to act for Developer.

11. Inspection by City

Developer shall at all times maintain proper facilities and provide safe access for inspection by City to all parts of the work. Inspections will be provided during normal working hours. Developer will be billed for inspections on work performed on weekends, holidays and overtime. Developer shall also pay all additional costs incurred by City for soils and materials testing and/or inspection services required as a part of City inspection activities.

12. Contract Security

Concurrently with the execution hereof, Developer's Contractor shall furnish Improvement Security of at least 100% of the estimated cost of public improvements plus deferred fees and engineering costs of surveying, record drawings and certifications as security for the faithful performance of this agreement and repair or replacement of defective work under Paragraph 16 following; and an amount equal to at least 50% of the above costs as security for the payment of all persons performing labor and furnishing materials in connection with this agreement as more fully described in the State Subdivision Map Act.

The City has determined these security amounts to be as follows:

Faithful Performance	\$380,000.00
Labor and Materials	\$190,000.00

13. Warranty Security

~~Prior to acceptance of the project improvements by the City, Developer shall furnish Warranty Security of at least 10% of the total cost of the public improvements as security for repair or replacement of defective work under Paragraph 18 following.~~ The warranty period for repair or replacement of defective work shall be two (2) years following the date of acceptance of the improvements. If any portion of the project receives partial acceptance during the course of construction, the warranty period for all required project improvements shall commence upon the date of final acceptance for the entire project.

14. Hold-Harmless Agreement

Developer hereby agrees to, and shall, hold City, its elective and appointive boards, commissions, officers, agents and employees, harmless from any liability for damage or claims for damage for personal injury, including death, as well as from claims for property damage which may arise from Developer's or Developer's contractors', subcontractors', agents' or employees' operations under this agreement, whether such operations be by Developer or by any of Developer's contractors, subcontractors, or by any one or more persons directly or indirectly employed by, or acting as agent for, Developer or any of Developer's contractors or subcontractors. Developer agrees to, and shall, defend City and its elective and appointive boards, commissions, officers, agents and employees from any suits or actions at law or in equity for damages caused, or alleged to have been caused, by reason of any of the aforesaid operations; provided as follows:

- A. That City does not, and shall not, waive any rights against Developer which it may have by reason of the aforesaid hold-harmless agreement, because of the acceptance by City, or the deposit with City by Developer, of any of the insurance policies described in Paragraph 15 hereof.

- B. That the aforesaid hold-harmless agreement by Developer shall apply to all damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any of the aforesaid operations referred to in this paragraph, regardless of whether or not City has prepared, supplied or approved of, plans and/or specifications for the project, or regardless of whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

15. Developer's Insurance

Developer shall not commence work under this agreement until Developer shall have obtained all insurance required under this paragraph, nor shall Developer allow any contractor or subcontractor to commence work on Developer's contract or subcontract until all similar insurance required of the contractor or subcontractor shall have been so obtained. All requirements herein provided shall appear either in the body of the insurance policies or as endorsements and shall specifically bind the insurance carrier.

A. Compensation Insurance

Developer shall maintain, during the life of this agreement, Worker's Compensation Insurance for all Developer's employees employed at the site of improvement, and in case any work is sublet, Developer shall require any contractor or subcontractor similarly to provide Worker's Compensation Insurance for all contractors' or subcontractors' employees, unless such employees are covered by the protection afforded by Developer. Developer hereby indemnifies City for any damage resulting to it from failure of either Developer or any contractor or subcontractor to take out or maintain such insurance.

B. Comprehensive General and Automobile Insurance

Developer shall take out and maintain during the life of this agreement such insurance as shall insure City, its elective and appointive boards, commissions, officers, agents and employees, Developer and any contractor or subcontractor performing work covered by this agreement from claims for damages for personal injury, including death, as well as from claims for property damage which may arise on the project property, including any public streets or easements, from Developer's or any contractors' or subcontractors' operations hereunder, whether such operations be by Developer or any contractor or subcontractor or by anyone directly or indirectly employed by either Developer or any contractor or subcontractor, and the amount of such insurance shall be as follows:

1. COMPREHENSIVE GENERAL LIABILITY

\$2,000,000 Bodily Injury - Each Occurrence/Aggregate  
\$2,000,000 Property Damage - Each Occurrence/Aggregate  
or  
\$2,000,000 Combined Single Limit

2. COMPREHENSIVE AUTOMOBILE LIABILITY

\$2,000,000 Bodily Injury - Each Person  
\$2,000,000 Bodily Injury - Each Occurrence  
\$2,000,000 Property Damage - Each Occurrence  
or  
\$2,000,000 Combined Single Limit

Developer must have comprehensive automobile liability only if Developer's vehicles are used on-site.

**NOTE:** Developer agrees and stipulates that any insurance coverage provided to the City of Lodi shall provide for a claims period following termination of coverage which is at least consistent with the claims period or statutes of limitations found in the California Tort Claims Act (California Government Code Section 810 et seq.).

"Claims made" coverage requiring the insureds to give notice of any potential liability during a time period shorter than that found in the Tort Claims Act shall be unacceptable.

A copy of the certificate of insurance with the following endorsements shall be furnished to the City:

A. Additional Named Insured Endorsement

Such insurance as is afforded by this policy shall also apply to the City of Lodi, its elected and appointed boards, commissions, officers, agents and employees as additional named insured insofar as work performed by the insured under written contract with the City of Lodi. This endorsement shall be on the form furnished by the City and shall be included with Developer's policies.

B. Primary Insurance Endorsement

Such insurance as is afforded by the endorsement for the additional insureds shall apply as primary insurance. Any other insurance maintained by the City of Lodi or its officers and employees shall be excess only and not contributing with the insurance afforded by this endorsement.

C. Severability of Interest Clause

The term "insured" is used severally and not collectively, but the inclusion herein of more than one insured shall not operate to increase the limit of the company's liability.

16. Evidence of Insurance

Developer shall furnish City, concurrently with the execution hereof, with satisfactory evidence of the insurance required and evidence that each carrier is required to give City at least 30 days prior notice of the cancellation or reduction in coverage of any policy during the effective period of this agreement. The address of the City of Lodi must be shown on the certificate of insurance, i.e., City of Lodi, 221 West Pine Street, Lodi, CA 95240.

17. Title to Improvements

Title to, and ownership of, all public improvements constructed hereunder by Developer shall vest absolutely in City upon completion and acceptance of such public improvements by City.

18. Repair or Reconstruction of Defective Work

If, within a period of *two* (2) years after final acceptance by City of the work performed under this agreement, any structure or part of any structure furnished and/or installed or constructed, or caused to be installed or constructed by Developer, or any of the work done under this agreement, including the mitigation measures for dust and erosion control, fails to fulfill any of the requirements of this agreement plans and specifications referred to herein, Developer and Developer's Contractor surety shall, without delay and without cost to City, repair or replace or reconstruct any defective or otherwise

unsatisfactory part or parts of the work or structure. Should Developer or Developer's Contractor surety fail to act promptly or in accordance with this requirement, or should the exigencies of the case require repairs or replacements to be made before Developer can be notified, City may, at its option, make the necessary repairs or replacements or perform the necessary work, and Developer shall pay to City the actual cost of such repairs plus 15% for administration and overhead costs.

19. Repair or Replacement of City-owned Bypass Meter Assemblies

The Developer is required by the City to install bypass meter assemblies in conjunction with the installation of water mains in the City of Lodi. The City will supply these assemblies upon receipt of a deposit in the amount of \$5,000.00 for each assembly required. The purpose of the deposit is to guarantee the return of the assembly in good condition and fulfillment of the other obligations shown in the City's Policies and Procedures entitled "Metering Water Usage of New Water Mains Requiring Temporary Bypasses", a copy of which is attached hereto and made a part hereof.

20. Mud, Debris, Dust and Erosion

Developer agrees and covenants not to permit mud or other debris to be tracked from the construction site or elsewhere onto City or County streets or onto private property without express permission. Developer further agrees not to cause damage to City or County streets.

Should any mud or debris be deposited in City or County streets or any damage caused to City or County streets, the Developer shall have the same removed or repaired forthwith, and if not removed or repaired upon notice within a specified time, the City shall cause the same to be removed or repaired and the Developer shall be charged for the cost of said removal or repairs.

The Developer, Developer's contractor and/or agents shall be responsible so no dust or erosion problems are created during construction, including installation of telephone, electrical, cable television and gas facilities. Developer's responsibility for dust and erosion control shall extend to include a period of one year from the date of final acceptance by the City of the work performed under this agreement.

If a dust or erosion problem arises during development or within a period of one year from the date of final acceptance by the City of the work performed under this agreement, including but not limited to installation of telephone, electrical, cable television, and/or gas facilities, and has not, after notice, been abated by Developer within a specified period of time, the City shall cause the same to be controlled, and the Developer shall be charged with the cost of said control.

21. Fire Protection During Construction

Fire protection facilities approved by the Fire Chief, including all-weather access road and an approved water supply capable of supplying the required fire flow, shall be installed and made serviceable in accordance with the City fire code prior to and during the time of building construction. The above may be modified when alternate methods of protection approved by the Fire Chief are provided.

22. Protection of Existing Improvements

Damage to any existing improvements or private or public utility lines installed or being installed which damage occurs during the onsite and offsite construction required of Developer shall be the absolute responsibility and liability of Developer. In other words, it shall be the Developer's responsibility to pay for damage to existing improvements and public or private utilities within the development. Damage to any existing facilities outside

the limits of the project area damaged as part of the construction of the required project improvements is also the Developer's responsibility.

23 Dwelling Occupancy

The City will not allow occupancy of any building or structure within the project until all public improvements have been approved and accepted by the Public Works Department per established City policy and other requirements of the City codes have been met. If building is started prior to acceptance of the improvements, it is the Developer's responsibility to inform all prospective purchasers that occupancy will not be permitted until said fees are paid and public improvements are so accepted.

24 Developer Not Agent of City

Neither Developer nor any of Developer's agents or contractors are or shall be considered to be agents of City in connection with the performance of Developer's obligations under this agreement.

25 Notice of Breach and Default

If Developer refuses or fails to obtain prosecution of the work, or any severable part thereof, with such diligence as will insure its completion within the time specified, or any extensions thereof, or fails to obtain completion of said work within such time, or if the Developer should be adjudged bankrupt, or Developer should make a general assignment for the benefit of Developer's creditors, or if a receiver should be appointed in the event of Developer's insolvency, or if Developer or any of Developer's contractors, subcontractors, agents or employees, should violate any of the provisions of this agreement, the Public Works Director or City Council may serve written notice upon Developer and Developer's Contractor's surety of breach of this agreement, or any portion thereof, and the default of Developer.

26. Breach of Agreement; Performance by Surety or City

In the event of any such notice, Developer's Contractor's surety shall have the duty to take over and complete the work and the improvements herein specified; provided however, that if the surety, within five days after the serving upon it of such notice of breach, does not give City written notice of its intention to take over the performance of the contract, and does not commence performance thereof within 5 days after notice to City of such election, City may take over the work 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 Developer, and Developer's Contractor's surety shall be liable to City for any excess cost or damage 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, plant and other property belonging to Developer as may be on the site of the work and necessary therefor.

Notices

All notices herein required shall be in writing, and delivered in person or sent by registered mail, postage prepaid.

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

F. Wally Sandelin,  
Public Works Director  
221 West Pine Street  
P. O. Box 3006  
Lodi, CA 95241-1910

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

---

---

---

---

Notices required to be given to Developer's agent shall be addressed as follows:

---

---

---

---

Notices required to be given to Developer's Contractor shall be addressed as follows:

---

---

---

---

Notices required to be given to Developer's Contractor surety shall be addressed as follows:

---

---

---

---

Provided that either party or the surety may change such address by notice in writing to the other party and thereafter notices shall be addressed and transmitted to the new address.

28. Execution

In Witness Whereof, Developer, Developer's Contractor and City have caused their names to be hereunto affixed and the City of Lodi has caused its corporate name and seal to be hereunto affixed by its proper officers thereunto duly authorized.

REYNOLDS RANCH PARTNERS, INC.

\_\_\_\_\_  
Date

\_\_\_\_\_  
\_\_\_\_\_

DEVELOPER'S CONTRACTOR

\_\_\_\_\_  
Date

\_\_\_\_\_  
\_\_\_\_\_

(CORPORATE SEAL)

CITY OF LODI, A MUNICIPAL CORPORATION

By: \_\_\_\_\_  
Konradt Bartlam, Interim City Manager

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
Randi Johl, City Clerk

\_\_\_\_\_  
Date

APPROVED AS TO FORM:

\_\_\_\_\_  
D. Stephen Schwabauer, City Attorney



Development: Reynolds Ranch  
Developer: RPM Company  
Engineer: RSC Engineering

Acres: 51.60  
Date: 7127110

TOTAL COST OF PROJECT IMPROVEMENTS <sup>(1)</sup>						DEVELOPER COST	
Item	Description	Quantity	Unit	Price	Total	Quantitv	Total
<b>Off Site Improvements</b>							
1	Commercial Driveway	2	EA	5,483.00	10,966.00	2	10,966.00
2	Handicap Ramps	4	EA	2,193.00	8,772.00	4	8,772.00
3	7' Sidewalk (Reynolds Ranch Parkway)	4,550	SF	6.00	27,300.00	4,550	27,300.00
4	Sidewalk Barricade	1	EA	548.00	548.00	1	548.00
					<b>Subtotal</b>		<b>\$47,586.00</b>
<b>Water System</b>							
Reynolds Ranch <b>Onsite Public</b> Improvements							
1	10" Water Pipe PVC	4,900	LF	\$49.00	\$240,100.00	4,900	\$240,100.00
2	10" Water Valve	15	EA	1,645.00	24,675.00	15	24,675.00
3	Remove Existing 10" Water Pipe	300	LF	25.00	7,500.00	300	7,500.00
4	Connect to Existing	3	EA	5,483.00	16,449.00	3	16,449.00
					<b>Subtotal</b>		<b>\$288,724.00</b>
					<b>Total</b>		<b>\$336,310.00</b>
Total Construction Cost Subject to Engineering Fee Calculation (A. Developer Cost)							\$336,310.00
Contingencies (10% of Construction Costs)							\$33,631.00
Construction Engineering & Staking @ 3% ±							\$10,059.00
<b>TOTAL COST FOR ENGINEERING FEE CALCULATION</b>						<b>Total</b>	<b>\$380,000.00</b>

TOTAL IMPROVEMENT SECURITY AMOUNTS:

Faithful Performance: 100% of A & B	<u>\$380,000.00</u>
Labor & Materials: 50% of A & B	<u>\$190,000.00</u>

<sup>(1)</sup> Costs for most items are based on bid prices from RSC Engineering provided by Developer.

<sup>(2)</sup> Estimate based on quantities, bid prices and estimates available at this time. Actual costs to be funded by City shall be determined as stipulated in the Improvement Security Agreement.

IMPROVEMENT SECURITY  
Faithful Performance Bond

Bond No. \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the City of Lodi, a municipal corporation, hereinafter designated "City", and GENERAL CONTRACTOR, hereinafter designated "Principal," have entered into an agreement dated \_\_\_\_\_, whereby Principal agrees to install and complete certain designated public improvements and pay appropriate development impact mitigation fees within 365 CALENDAR DAYS FROM THE DATE OF THE AGREEMENT, in the development known as Reynolds Ranch, Phase 2 - Onsite. This agreement is on file in the office of the Public Works Director of the City of Lodi, and is referred to and made a part hereof; and

WHEREAS, said Principal is required under the terms of said agreement to furnish a bond for faithful performance of said agreement.

NOW, THEREFORE, we, the Principal and \_\_\_\_\_, as surety, are held and firmly bound unto the City in the penal sum of THREE HUNDRED EIGHTY THOUSAND AND NO/100 DOLLARS (\$380,000.00) 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 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 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 work to be performed or the specifications accompanying the same shall in anywise affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the work or to the specifications.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and surety above named, on

\_\_\_\_\_  
SURETY:

\_\_\_\_\_  
PRINCIPAL:

by: \_\_\_\_\_

Attorney-in-fact

\_\_\_\_\_  
Agent

\_\_\_\_\_  
Address

\_\_\_\_\_  
Address

APPROVED AS TO FORM: \_\_\_\_\_

City Attorney

IMPROVEMENT SECURITY  
Labor and Materials Bond

Bond No. \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the City of Lodi, a municipal corporation, hereinafter designated "City," and GENERAL CONTRACTOR, hereinafter designated "Principal," have entered into an agreement dated \_\_\_\_\_ whereby Principal agrees to install and complete certain designated public improvements and pay appropriate development impact mitigation fees within 365 CALENDAR DAYS FROM THE DATE OF THE AGREEMENT, in the development known as Reynolds Ranch, Phase 2. This agreement is on file in the office of the Public Works Director of the City of Lodi, and is 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 to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

NOW, THEREFORE, said Principal and the undersigned as corporate surety, are held and firmly bound unto the City and all contractors, subcontractors, laborers, materialmen and other persons employed in the performance of the aforesaid improvements and referred to in the aforesaid Code of Civil Procedure in the sum of ONE HUNDRED NINETY THOUSAND AND NO/100 DOLLARS (\$190,000.00), 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 said 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's fees, incurred by City in successfully enforcing such 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 Title 15 (commencing with Section 3082) of Part 4 of Division 3 of Civil Code, 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 work to be performed or the specifications accompanying the same shall in anywise affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the work or to the specifications.

IN WITNESS WHEREOF, this instrument has been duly executed by the principal and surety above named, on

\_\_\_\_\_

SURETY:

PRINCIPAL:

\_\_\_\_\_

\_\_\_\_\_

by: \_\_\_\_\_

\_\_\_\_\_

Attorney-in-fact

\_\_\_\_\_

\_\_\_\_\_

Agent

\_\_\_\_\_

\_\_\_\_\_

Address

Address

APPROVED AS TO FORM: \_\_\_\_\_

City Attorney

RESOLUTION NO. 2010-143

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING IMPROVEMENT AGREEMENTS FOR PUBLIC IMPROVEMENTS FOR REYNOLDS RANCH, PHASE II, OFFSITE AND ONSITE IMPROVEMENTS, DIRECTING THE CITY MANAGER AND CITY CLERK TO EXECUTE THE AGREEMENTS ON BEHALF OF THE CITY OF LODI, AND FURTHER APPROVING NO-PARKING ZONES ON ALL OF REYNOLDS RANCH PARKWAY AND HARNEY LANE FROM STOCKTON STREET TO REYNOLDS RANCH PARKWAY

=====

WHEREAS, the developer of Reynolds Ranch, Phase II, Reynolds Ranch Partners, Inc., has furnished the City with improvement plans and the necessary agreements for the proposed project; and

WHEREAS, the developer's contractor has been added to the Improvement Agreement to furnish the bonding for the developer. The developer's contractor will be determined by September 1, 2010, at which time the developer's contractor will furnish the necessary bonds and complete the Improvement Agreement; and

WHEREAS, the offsite public improvements include the installation of storm drain improvements, landscape and irrigation in the median, curb, gutter, sidewalk and street pavement improvements and installation of signalized intersections. The onsite improvements include the installation of a public water main and sidewalk and driveway improvements; and

WHEREAS, the no-parking zones will cover both the east and west sides of Reynolds Ranch Parkway (approximately 3,700 feet of roadway) and both north and south sides of Harney Lane from Stockton Street to Reynolds Ranch Parkway (approximately 1,900 feet of roadway). The additional no-parking zones are required to accommodate the proposed roadway improvements.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the Improvement Agreements with Reynolds Ranch Partners, LLC, for offsite and onsite Public Improvements for Reynolds Ranch, Phase II, located on Harney Lane between Stockton Street and Highway 99, as shown on Exhibit A attached, subject to Reynolds Ranch Partners, LLC providing a contractor who supplies the required improvement bonds; and

BE IT FURTHER RESOLVED that the City Council does hereby authorize and direct the City Manager and City Clerk to execute the Improvement Agreements on behalf of the City of Lodi if the above bonding requirement is met; and

BE IT FURTHER RESOLVED that the City Council does hereby approve no-parking zones on all of Reynolds Ranch Parkway and Harney Lane from Stockton Street to Reynolds Ranch Parkway.

Dated: August 18, 2010

=====

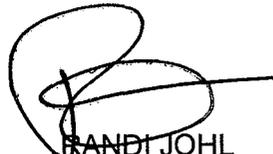
I hereby certify that Resolution No. 2010-143 was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 18, 2010, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Mounce, and Mayor Katzakian

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – Johnson

ABSTAIN: COUNCIL MEMBERS – None



RANDI JOHL  
City Clerk

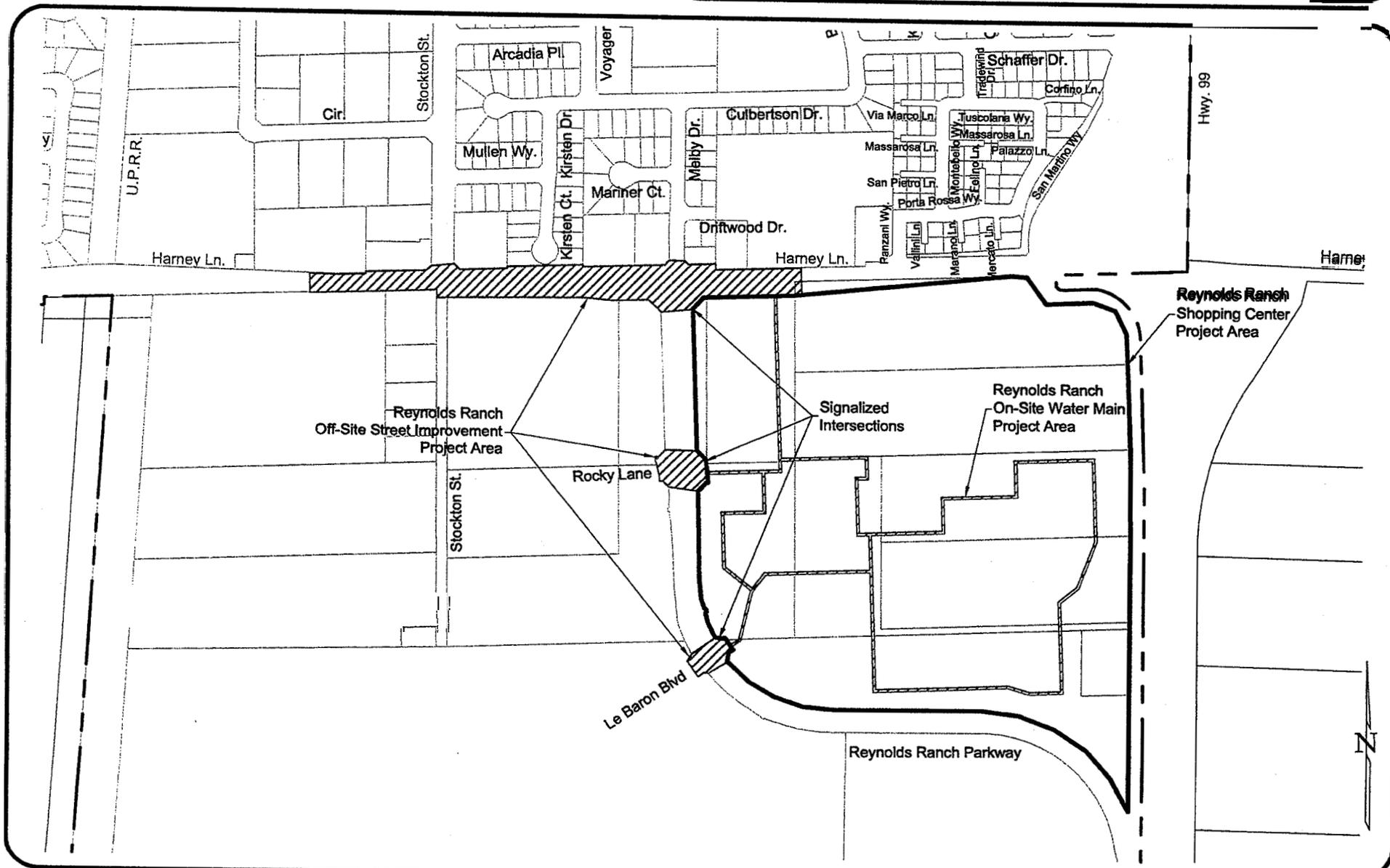


# CITY OF LODI

PUBLIC WORKS DEPARTMENT

## Exhibit A

### Harney Lane Improvements 500' West of Stockton St to Reynolds Ranch Pkwy



CITY COUNCIL

PHIL KATZAKIAN, Mayor  
SUSAN HITCHCOCK,  
Mayor Pro Tempore  
LARRY D. HANSEN  
BOB JOHNSON  
JOANNE L. MOUNCE

# CITY OF LODI

## PUBLIC WORKS DEPARTMENT

CITY HALL, 221 WEST PINE STREET  
P.O. BOX 3006  
LODI, CALIFORNIA 95241-1910  
(209) 333-6706  
FAX (209) 333-6710  
EMAIL pwdept@lodi.gov  
http://www.lodi.gov

KONRADT BARTLAM  
Interim City Manager  
RANDI JOHL  
City Clerk  
D. STEVEN SCHWABAUER  
City Attorney  
F. WALLY SANDELIN  
Public Works Director

August 12, 2010

Reynolds Ranch Partners  
Attn.: Dale Gillespie  
San Joaquin Valley Land Company, LLC  
1420 S. Mills Avenue, Ste. K  
Lodi, CA 95242

Phillippi Engineering  
P.O. Box 6556  
Vacaville, CA 95696

**SUBJECT:** Adopt Resolution Approving Improvement Agreements for Public Improvements for Reynolds Ranch, Phase II, Offsite and Onsite Improvements and Approving No-Parking Zones on all of Reynolds Ranch Parkway and Harney Lane from Stockton Street to Reynolds Ranch Parkway

Enclosed is a copy of background information on an item on the City Council agenda of Wednesday, August 18, 2010. The meeting will be held at 7 p.m. in the City Council Chamber, Carnegie Forum, 305 West Pine Street.

This item is on the consent calendar and is usually not discussed unless a Council Member requests discussion. The public is given an opportunity to address items on the consent calendar at the appropriate time.

If you wish to write to the City Council, please address your letter to City Council, City of Lodi, P. O. Box 3006, Lodi, California, 95241-1910. Be sure to allow time for the mail. Or, you may hand-deliver the letter to City Hall, 221 West Pine Street.

If you wish to address the Council at the Council Meeting, be sure to fill out a speaker's card (available at the Carnegie Forum immediately prior to the start of the meeting) and give it to the City Clerk. If you have any questions about communicating with the Council, please contact Randi Johl, City Clerk, at (209) 333-6702.

If you have any questions about the item itself, please call Chris Boyer, Junior Engineer, at (209) 333-6800, extension 3321.



for: F. Wally Sandelin  
Public Works Director

FWS/pmf

Enclosure

cc: City Clerk

NCC\_REYNOLDSRANCHPHASE2.DOC