



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: April 14, 2022

TO: Mayor and City Council Members
Ashley J. Feeney, City Manager

FROM: Regina Cave, General Services Director
Leslie Blomquist, City Engineer
Ardelyn Flores, Associate Civil Engineer

SUBJECT: **Approval of the Final Subdivision Map and Subdivision Improvement Agreement for Citrus Place Subdivision**

Summary and Recommendation

On July 26, 2006, the Planning Commission approved, with conditions, the Tentative Map for the Citrus Place Subdivision submitted by Citrus Place, LLC. Since then, the parcel has been sold several times, and in 2021 it was purchased by Citrus Place 8, LLC (Developer). With several map extensions issued by the State of California and the City of Citrus Heights, the approved Tentative Map has remained valid. The development consists of one existing parcel (total 2.27 gross acres) and is located on the west side of Wachtel Way approximately 1,100 feet south of Old Auburn Road. The subdivision map creates eight single-family residential lots.

The City Engineer reviewed the tentative map approval documents, the final subdivision map (Attachment A), subdivision improvement agreement with bonds (Attachment B) and found the final subdivision map to be technically correct and in substantial compliance with the conditionally approved tentative map.

Staff recommends the City Council approve Resolution No. 2022-___ a Resolution of the City Council of the City of Citrus Heights, California, Approving the Final Subdivision Map and Subdivision Improvement Agreement for the Citrus Place Subdivision.

Fiscal Impact

There is no fiscal impact associated with this item. However, as a condition of this project, the developer will construct:

- approximately 240 linear feet of roadway centerline
- approximately 635 linear feet of sidewalk, curb & gutter
- 3 street lights and related infrastructure
- storm drain facilities

Once the project is complete and accepted by the city, the city will be responsible for the ongoing maintenance and operations costs associated with these public improvements.

Background and Analysis

The approved tentative subdivision map subdivides the existing parcel into eight single-family lots.

Mapping Requirements

Per the Subdivision Map Act, a subdivision map is required for real property subdivisions creating five or more parcels, while a parcel map is required for subdivisions creating four or fewer parcels. Tentative maps are required for either process, but may be waived in certain instances.

In Citrus Heights, the Planning Commission is the hearing body that reviews and approves tentative maps. On July 26, 2006, the Planning Commission approved the Citrus Place tentative map. The Planning Commission meeting minutes and conditions of approval can be found on the city's website at <https://www.citrusheights.net/DocumentCenter/View/1579/Planning-Commission-Meeting-Minutes-July-26-2006-PDF>.

After the tentative map is approved, the Developer must construct subdivision improvements and prepare a final map in accordance with the conditions of approval. Once the improvements have been completed and field accepted, and the final map is determined to be technically correct and in substantial compliance to the approved tentative map, the legislative body of the local agency must accept the subdivision improvements and approve/accept the final map prior to recordation of the final map.

For the Citrus Place Development, the Developer is proposing to record the map prior to completing the construction of the subdivision improvements. To accomplish this, the Developer proposes to execute a subdivision improvement agreement (SIA). Under the proposed SIA, the Developer will bond for the public improvements and complete construction of the improvements prior to May 1, 2023.

The Developer submitted the subdivision improvement agreement, prepared engineering plans, and bonded for said improvements. Additionally, the final map and supporting documents necessary to comply with the approved tentative map and associated conditions of approval submitted by the Developer have been approved.

Attachments

1. Resolution No. 2022-___ a Resolution of the City Council of the City of Citrus Heights, California, Approving the Final Subdivision Map and Subdivision Improvement Agreement for Citrus Place Subdivision
2. Final Subdivision Map – Citrus Place Subdivision
3. Subdivision Improvements Agreement

RESOLUTION NO. 2022 - _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS, CALIFORNIA, APPROVING THE FINAL SUBDIVISION MAP AND SUBDIVISION IMPROVEMENT AGREEMENT FOR CITRUS PLACE SUBDIVISION

WHEREAS, Citrus Place 8, LLC (Developer) submitted an application to subdivide the subject property described as the Citrus Place Subdivision located within the City of Citrus Heights, Sacramento County, California. The subdivision map application subdivides the existing parcel (total 2.27 gross acres) located on the west side of Watchel Way, approximately 1,100 feet south of Old Auburn Road. The final map creates eight single-family residential parcels;

WHEREAS, on July 26, 2006, the Planning Commission of Citrus Heights, California, approved, with conditions, the tentative subdivision map titled, "Tentative Map Citrus Place Subdivision" prepared by Riechers Spence Associates;

WHEREAS, the City Engineer reviewed the tentative map approval documents and the final subdivision map, prepared by RICK Engineering Company, and found the final subdivision map to be technically correct and in substantial compliance with the conditionally approved tentative map; and

WHEREAS, the Developer submitted a Subdivision Improvement Agreement and bonded for the public improvements. Proof of adequate bonding shall be furnished to the City by April 22, 2022, as a condition of approval of the Final Map.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the City of Citrus Heights does hereby declare that the subdivision agreement and final map titled, "FINAL MAP OF CITRUS PLACE SUBDIVISION, SUBDIVISION NO. 04-09, A PORTION OF THE NORTHEAST ONE-QUARTER OF SECTION 19, TOWNSHIP 10 NORTH, RANGE 7 EAST, MOUNT DIABLO BASE AND MERIDIAN, CITY OF CITRUS HEIGHTS, STATE OF CALIFORNIA, APN 224-0162-017", dated April 2022, as prepared by RICK Engineering Company, is approved and accepted and authorizes the City Manager to execute a subdivision improvement agreement for public improvements.

The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED by the City Council of Citrus Heights, California, this 14th day of April 2022 by the following vote, to wit:

AYES: **Council Members:**
NOES: **Council Members:**
ABSTAIN: **Council Members:**
ABSENT: **Council Members:**

Porsche Middleton, Mayor

ATTEST:

Amy Van, City Clerk

NO FEE DOCUMENT

Government Code § 6103

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

CITY OF CITRUS HEIGHTS
6360 Fountain Square Drive
Citrus Heights, CA 95621
Attention: City Clerk

**SUBDIVISION IMPROVEMENT AGREEMENT BETWEEN THE CITY OF CITRUS
HEIGHTS, A MUNICIPAL CORPORATION AND CITRUS PLACE 8, LLC,
A CALIFORNIA LIMITED LIABILITY COMPANY**

This Subdivision Improvement Agreement (“Agreement”) is made and entered into this _____ day of April, 2022, by and between the City of Citrus Heights, a municipal corporation, hereinafter referred to as “City,” and Citrus Place 8, LLC, a Utah limited liability company, hereinafter referred to as “Subdivider.”

RECITALS

A. Subdivider has presented to City a final map of a proposed subdivision of land located within the corporate limits of City that has been prepared in accordance with the Subdivision Map Act of the State of California, the subdivision ordinances of City, and the Subdivision’s tentative map approved by the City Council.

B. City approved the proposed subdivision of land as the “Tentative Subdivision Map Citrus Place Subdivision” on July 26, 2006 and is hereinafter referred to as the “Subdivision” or the “Project.”

C. Subdivider has requested approval of the final map prior to the construction and completion of the public improvements, including, but not limited to streets, highways, public ways, sidewalks, curbs, gutters, storm drainage facilities, sound walls, street lights, public utility facilities, 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, the subdivision ordinances of City, the tentative map (and approvals given in connection therewith), and final grading plan, if any, approved by City. The foregoing improvements are hereinafter referred to as “Required Improvements.”

NOW, THEREFORE, the parties agree as follows:

1. Incorporation of Recitals. The foregoing recitals are true and correct, and incorporated herein by reference.

2. Performance of Work. 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 titled, "Citrus Place Subdivision" prepared by RICK Engineering, a copy of which is on file in the office of the City Manager, and is incorporated herein by reference, along with any changes or modifications as may be required by 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 City Manager. The total estimated cost of the Required Improvements as determined by the City Manager is four hundred eighty thousand dollars (**\$480,000.00**).

3. Work; Satisfaction of City Manager. All of the work on the Required Improvements is to be done in accordance with the approved plans and specifications and City's Improvement Standards and Specifications, to the satisfaction of the City Manager.

4. Injury to Public Improvements, Public Property or Public Utilities Facilities. 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. 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 by City and to the locations wherein any work for the Required Improvements is in preparation. Subdivider shall request a final inspection by the City Manager or the City Manager's representative upon completion of the Required Improvements. If the City Manager or designated representative determines that the work has been completed in accordance with this Agreement, the City Manager shall certify the completion of the Required Improvements to the City Council. No 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. Subdivider shall bear all costs of plan check, inspection(s) and certification.

6. Safety Devices. Subdivider shall provide and maintain such guards, fences, barriers, regulatory signs, warning lights, and other safety devices adjacent to and on the Property as may be necessary to prevent accidents to the public and damage to the Property and adjacent property. Subdivider shall furnish, place, and maintain such lights as may be necessary for illuminating the said fences, barriers, signs, and other safety devices. At the end of all work to be performed under this Agreement, all fences, barriers, regulatory signs, warning lights, and other safety devices (except such safety items as may be shown on the plans and included in the items of work) shall be removed from the site of the work by Subdivider, and the entire site left clean and orderly.

7. Superintendence by Subdivider. Subdivider shall require each contractor and subcontractor to have a competent project manager 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 City during the hours of 9:00 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. Work; Time for Commencement and Performance. Work on the Required Improvements will commence by the Subdivider on May 1, 2022 and Work on the Required Improvements shall be completed on or before May 1, 2023. City will accept the Required Improvements only after the Subdivider provides written notice to City that the Required Improvements are complete and City determines in writing that the Required Improvements are complete and consistent with all applicable terms and conditions.

9. Time of Essence; Extension.

a. Time is of the essence of this Agreement. The dates for commencement and completion of the Required Improvements ("Dates") may not be extended, except as provided in this paragraph. The City Manager may extend the Dates for a maximum of one hundred and eighty (180) days, for delays in work caused by inclement weather, riots, strikes, lockouts, fires, earthquakes, floods and conditions resulting therefrom, or for any other reason that is beyond the control of the Subdivider. The City Council shall authorize the extension of the Dates for any other cause, or an extension beyond one hundred and eighty (180) days. Extensions shall be granted only upon a showing of good cause by the Subdivider. The City Council or City Manager, as designated above, shall be the sole and final judge as to whether Subdivider shall be granted an extension.

b. Requests for extension of Dates shall be in writing and delivered to City in the manner hereinafter specified for service of notices. If City grants an extension of time, such extension shall be in writing to Subdivider in the manner hereinafter specified for service of notices. City shall not be bound by an oral extension of Dates.

c. If City extends the Dates, such extension may be granted without written notice by 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 Dates, City may require a new or amended improvement security in amounts to reflect increases in the costs of constructing the Required Improvements, and/or impose other conditions to protect City's interests and ensure the timely completion of the Required Improvements.

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

11. Improvement Security. Concurrently with the execution of this Agreement, Subdivider shall furnish to City security to ensure the faithful performance of all duties and obligations of Subdivider herein contained. Such improvement security shall be in a form acceptable to the City Attorney. Such security shall be either a corporate surety bond, a letter of credit or other instrument of credit issued by a banking institution subject to regulation by the State or Federal government and pledging that the funds necessary to carry out this Agreement are on deposit and guaranteed for payment, or a cash deposit made either directly with the City or deposited with a recognized escrow agent for the benefit of the City. City shall be the sole indemnitee named on any instrument required by this section. Proof of adequate bonding shall be furnished to City by April 22, 2022, and is a condition of approval of the Final Map and is an express term of this Agreement.

a. Faithful Performance Security. Subdivider shall maintain faithful performance security as set forth in the Citrus Heights Municipal Code Chapter 8, Article XII, Chapter 22.80 to secure faithful performance of this Agreement (“Faithful 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.

b. Payment Security. Subdivider shall maintain payment security as set forth in the Citrus Heights Municipal Code Article XII Chapter 22.80 to secure payment to its contractor, subcontractors and to persons renting equipment or furnishing labor or materials to them for the work (“Payment 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.

c. Guarantee and Warranty Security. Subdivider shall maintain a guarantee and warranty security in the amount of ten percent (10%) of the total estimated cost of the Required Improvements, as determined by the City Manager, 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 (“Guarantee Security”).

d. Monument Security. Subdivider shall maintain a monument security in the amount of one hundred percent (100%) of the total estimated cost of the installation of survey monuments in the Subdivision, as determined by the City Manager, which total cost is in the amount of One Thousand Five Hundred Dollars (\$1,500.00), to guarantee and secure the placement of such monuments (“Monument Security”).

e. Bond security requirements. Any bonds submitted as security pursuant to this section shall be executed by a surety company authorized to transact a surety business in the State of California. These bonds shall be furnished on the forms enclosed following this Agreement or as approved by the City Attorney in writing. The bonds must also receive City approval. The bonds shall be obtained from a responsible corporate surety (or sureties) acceptable to City; the surety must be licensed by the State of California to act as surety upon bonds and undertakings and maintains in this State at least one office of business. The premiums for the bonds shall be paid by Subdivider.

f. All securities requirements.

i. 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.

ii. The securities shall be irrevocable, shall not be limited as to time (except as to the one-year guarantee and warranty period) 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 City for Subdivider's completion of the Required Improvements, whether or not the surety is given written notice of such an extension by City.

iii. 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/her authority. A notary shall acknowledge the Power of Attorney as of the date of the execution of the surety bond that it covers.

12. Release of Security.

a. Guarantee Security. Guarantee Security shall be released one year after the City Council's acceptance of the Required Improvements. The amount released shall first be reduced by the amount deemed necessary by City to correct any defects in the Required Improvements that are known or believed to exist at the end of the Guarantee Security period.

b. Payment Security. Payment Security shall be released thirty-five (35) days after the date when claims of lien are required to be recorded pursuant to Civil Code Sections 9000 *et seq.*, but in no event shall the Payment Security be released prior to one hundred twenty (120) days after City Council's acceptance of the Required Improvements. The amount released shall first be reduced by the total of all claims filed and written notice thereof given to City. City may require the surety not to release the amount of Payment Security to assure payment of City's reasonable expenses and fees, including attorneys' fees.

c. Faithful Performance Security. Faithful Security shall be released after City Council's acceptance of the Required Improvements.

d. Monument Security. Monument Security shall be released upon City Manager's acceptance of the required monument installation.

13. Inspection and Other Fees. Subdivider shall pay City all fees imposed in connection with the construction and inspection of the Required Improvements. These fees must be paid in full prior to City's acceptance of the Required Improvements. The fees referred to above are not 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.

14. Defense, Indemnification and Hold Harmless. Subdivider shall defend, indemnify, and hold harmless City, its officers, officials, employees, agents, and volunteers from any and all

claims, losses, damages, including property damage, personal injury, including death, costs, including attorneys' fees, and liability of any kind or nature 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, except those matters arising from the sole or willful negligence of City.

This defense, indemnification and hold harmless provision shall extend to claims, losses, damage, injury, costs, including attorneys' 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 City has prepared, supplied or approved the plans and/or specifications for the Required Improvements or has inspected or accepted the Required Improvements. 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.

15. Environmental Warranty.

a. Warranties. Prior to City's acceptance of dedications or improvements, Subdivider shall certify and warrant that:

i. The Subdevelopment and Subdivider are not in violation of any environmental law, and neither 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;

ii. Subdivider nor any third party, will not use, generate, manufacture, produce, or release, on, or under the Subdevelopment, any hazardous substance, except in compliance with all applicable environmental laws; and

iii. Subdivider has not caused or permitted the release of and has no knowledge of the release or presence of, hazardous substance(s) on the Subdevelopment or the migration of any hazardous substance from or to any other property adjacent to, or in the vicinity of, the Subdevelopment.

b. Notice. Subdivider shall give prompt written notice to City at the address set forth herein of:

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

ii. Any claims made or threatened by any third party against City or the Subdevelopment, relating to loss or injury resulting from any hazardous substance; and

iii. Subdivider's discovery of an occurrence or condition on property adjoining or in the vicinity of the Subdevelopment that could cause the Subdevelopment to be subject to restrictions on its ownership, occupancy, use for the purpose for which it is intended, transferability, or lawsuit under any environmental law.

c. 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..

16. Subdivider's Pollution Liability Insurance

a. Subdivider, at its sole cost and expense shall maintain for the duration of this Agreement, pollution liability insurance of at least \$3,000,000 per pollution incident and \$3,000,000 Aggregate;

b. Coverage must apply to pollution incidents at or from any location at which Contractor is performing work under this agreement.

c. Prior written consent is required if the insurance has a deductible or self-insured retention in excess of \$50,000.

d. If the insurance is on a Claims-Made basis, the retroactive date shall be no later than the date of commencement of construction of the Required Improvements.

e. The insurance must be maintained for five (5) years after the Required Improvements are accepted by the City Council. If the insurance is on a Claims-Made basis, the continuation coverage may be provided by renewal of the existing policy; an extended reporting period endorsement; or replacement insurance with a retroactive date no later than the commencement of the work.

f. No cancellation or material change may be made to the insurance without written approval of City, and City must be given thirty (30) days' prior written notice of any proposed material change or cancellation.

g. If Subdivider fails to obtain or maintain pollution liability insurance as required by this section, City at its sole option, may obtain pollution liability insurance. Subdivider shall be responsible for City's costs of obtaining such insurance.

17. Subdivider's Insurance.

a. Insurance. Subdivider 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 written approval of 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. All coverage available to the Contractor as named insured shall be made available to the City, its officers, employees and volunteers as additional insured.

b. Evidence of Insurance. Prior to the commencement of any work, the Subdivider shall furnish to City, and City must approve, original certificates of insurance and endorsements effecting coverage for all policies required by the Agreement. Subdivider shall not allow any contractor or subcontractor to commence work until similar insurance is obtained by such contractor(s) or subcontractor(s) and approved by City. Certificates shall be signed by a person authorized by the insurer, or insurers, to bind coverage on their behalf. Certificate of insurance and endorsements shall be on standard Acord, Department of Insurance, or Insurance Services Office approved forms, or on forms approved by City. As an alternative to providing City with approved forms of certificates of insurance and endorsements, the Subdivider may provide complete, certified copies of all required insurance policies, including endorsements, effecting the coverage required by this section.

c. No Suspension of Insurance. Each insurance policy required by this Agreement shall be endorsed to state that coverage shall not be suspended, voided, cancelled, or terminated without providing City with thirty (30) days prior written notice.

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

e. Coverages Shall Not Limit Obligations. The requirement as to types, limits, and City's written 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. Material Element. The maintenance of insurance as required by this section is a material element of the Agreement. The failure of Subdivider, its contractor(s) or subcontractor(s) to maintain or renew insurance coverage, or to provide evidence of renewal shall be a material breach of this Agreement.

(1) Workers' Compensation Insurance. Subdivider shall maintain, during the term of this Agreement, Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Subdivider in the amount required by applicable law. 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 City, its officers, officials, employees, agents, and volunteers for losses arising from work falling within the terms of this Agreement. Subdivider shall indemnify and hold harmless City, its officers, officials, employees, agents, and volunteer from any damages resulting from failure of Subdivider, or its contractor(s) or subcontractor(s), to obtain and maintain such insurance.

(2) Commercial General and Automobile Liability Insurance.

Subdivider shall maintain during the term of this Agreement commercial general and automobile liability insurance. The City, its officers, officials, employees, agents, and volunteers shall be named as additional insured on all policies. 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, its contractor(s) or subcontractor(s), 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 two million dollars (\$2,000,000) per occurrence and four million dollars (\$4,000,000) aggregate, combined single limit coverage for risks associated with the work contemplated by this Agreement. Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an "occurrence" basis.

(3) Endorsements. Subdivider's commercial general and automobile liability insurance shall include, or be endorsed to include, the following:

(a) Provision or endorsement naming City, its officers, officials, employees, agents, and volunteers as Additional Insureds for liability arising out of the performance of any work under this Agreement. Forms CG 20 10 and 20 37 or equivalent.

(b) Provision or endorsement stating that insurance is Primary insurance with respect to City, its officers, officials, employees, agents, and volunteers, to the extent City is an additional insured. Any insurance or self-insurance maintained by City, its officers, officials, employees, agents, and volunteers shall be excess of the Subdivider's insurance and shall be non-contributing.

(c) 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).

(d) 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 City, its officers, officials, employees, agents, and volunteers.

18. Prevailing Wage. In the event it is determined that the Subdivider is required to pay prevailing wages for the work performed under this Agreement, the Subdivider shall pay all penalties and wages as required by applicable law, including penalties assessed to City.

19. Title to Required Improvements. 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 map, and City Improvement Standards and Specifications, to the satisfaction of the City Manager. Until such time as the Required Improvements are accepted by 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 City upon completion and acceptance in writing of such Required Improvements by City. City shall not accept the Required Improvements unless title to the Required Improvements is entirely free from lien(s). Prior to acceptance, Subdivider shall supply City with appropriate lien releases, at no cost to and in a form acceptable to City.

20. Repair or Reconstruction of Defective Work. If, within a period of one year after final acceptance by the City Council of the Required Improvements, any improvement or part of any 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 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 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 fifteen percent (15%) within thirty (30) days of the date of billing for such work by City.

21. Subdivider Not Agent of City. Neither Subdivider nor any of Subdivider's agents, contractors, or subcontractors are or shall be considered to be agents of City in connection with the performance of this Agreement.

22. Notice of Breach and Default. The following shall constitute a default under this Agreement: If Subdivider refuses or fails to perform the work on the Required Improvements, or any part thereof, with such diligence as will ensure its completion within the time specified in this Agreement, or any extension thereof, or fails to complete the Required Improvements within such time; if Subdivider should be adjudged 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 City may serve written notice upon Subdivider and Subdivider's surety, if any, of the breach of this Agreement. Subdivider shall have fifteen (15) days from receipt of written notice by City to cure any default.

a. City reserves all remedies available at law or in equity, 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's 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, Faithful Performance Security, guarantee and 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 Subdivider's obligations under this Agreement, after twenty (20) days from City's written notice of default to Subdivider and Subdivider's Surety. Subdivider agrees to pay the entire cost of such performance by City. 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 Subdivider, and Subdivider's Surety shall be liable to City for any excess cost or damages; 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 Subdivider as may be on the site of the work and necessary for performance of the work.

c. Failure of Subdivider to comply with the terms of this Agreement shall constitute Subdivider's consent to the filing by City of a "notice of violation" against all the lots in the Subdivision, or to rescind the written approval of the Subdivision or otherwise revert the Subdivision to acreage. The remedy provided by this section 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 at the discretion of City.

d. If 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.

e. 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.

Subdivider recognizes that by approval of the final map for 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 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 by law, in the event of a default by Subdivider. It is specifically recognized that the determination of whether a reversion to acreage or rescission of the Subdivision constitutes an adequate remedy for default by the Subdivider shall be within the sole discretion of City.

23. Building Permit Sign-Off or Issuance of Certificate of Occupancy. Until City accepts the Required Improvements, City will not finalize or sign off as complete any building permit or issue any certificate of occupancy for the Subdivision.

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

Notices to City shall be addressed as follows:

CITY OF CITRUS HEIGHTS
Attn: Ashley Feeney, City Manager
6360 Fountain Square Drive
Citrus Heights, CA 95621

Notices to Subdivider shall be addressed as follows:

Citrus Place 8, LLC
Care of Cameron Tea, Director of Construction & Development
CEC LLC
4465 Granite Drive, #700
Rocklin, CA 95677

Any party may change such address by notice in writing to the other party, and thereafter written notices shall be addressed and transmitted to the new address.

25. Waiver. The waiver by either party of a breach by the other party, 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.

26. Attorney Fees. In the event legal action is brought to enforce or interpret this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees, in addition to any other relief to which it may be entitled.

27. Personal Nature of Subdivider's Obligations/Assignment. All of Subdivider's obligations under this Agreement are and 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 City.

28. Acquisition and Dedication of Easements or Right-of-Way. 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 right-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 California eminent domain law. Subdivider shall comply in all respects with any such order of possession.

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

29. Compliance with Laws. Subdivider, its agents, employees, contractors, and subcontractors shall comply with all federal, state and local laws in the performance of the Required Improvement including, but not limited to, obtaining all applicable permits and licenses.

30. No Vesting of Rights. 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.

31. Approvals by City. Any approval or consent that is to be given by City under this Agreement shall be in writing, and any approval or consent that is not in writing shall not be binding on City.

32. Construction and Interpretation. 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.

33. Successors and Assigns -- Covenant Running With the Land. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the respective parties. A memorandum of this Agreement in the form attached hereto 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.

34. Severability. 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.

35. Actions. 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.

36. Integration. This Agreement is an integrated agreement. It supersedes all prior negotiations, representations, or agreements, either written or oral.

37. Modification. 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.

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

CITY OF CITRUS HEIGHTS
a municipal corporation

SUBDIVIDER
CITRUS PLACE 8, LLC
a Utah limited liability company

By: _____
Ashley Feeney, City Manager

By: _____
Print Name:
Print Title:

By: _____
Print Name:
Print Title:

ATTEST:

Amy Van, City Clerk

APPROVED AS TO FORM:

Ryan R. Jones, City Attorney

FAITHFUL PERFORMANCE BOND

WHEREAS, the City Council of the City of Citrus Heights, State of California, and Citrus Place 8 LLC, a Utah limited liability company (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 the Citrus Place Subdivision, “Project”, is hereby referred to and made a part hereof; and

WHEREAS, pursuant to California Government Code Section 66499.3 and Citrus Heights Municipal Code Chapter 8, Article XII Chapter 22.80, Principal is required under the terms of said agreement to furnish a bond for the faithful performance of said agreement.

NOW, THEREFORE, we, the Principal and the undersigned as corporate Surety, are held and firmly bound unto the City of Citrus Heights hereinafter called (“City”), in the penal sum of four hundred eighty thousand dollars (**\$480,000.00**) 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, 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 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, officials, agents, employees, and volunteers, 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 terms of the agreement or to the work to be performed thereunder 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 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 _____, 2022.

SURETY

Name of Surety

Mailing Address of Surety

Telephone No. of Surety

By: _____
Attorney in Fact

PRINCIPAL

Citrus Place 8 LLC
a Utah limited liability company

By: _____
Print Name:

Print Title: Property Owner
and

By: _____
Print Name:

Print Title: Property Owner

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.

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

PAYMENT BOND

WHEREAS, the City Council of the City of Citrus Heights, State of California, and Citrus Place 8 LLC, a Utah limited liability company (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 the Citrus Place Subdivision, “Project”, is hereby referred to and made a part hereof; and

WHEREAS, pursuant to California Government Code Section 66499 and Citrus Heights Municipal Code Article XII Chapter 22.80, Principal is required, before entering upon the performance of the Project, to file a payment bond with and have such bond approved by the officer or public entity by whom the Project is awarded; and

WHEREAS, such payment bond must be in a sum not less than one hundred percent (100%) of the total amount payable by the terms of the Project, and must satisfy the other requirements specified in that section; and

WHEREAS, the Principal is required in accordance with the Project to furnish a payment bond in connection with the Project to secure payment of claims of laborers, mechanics and materialmen employed on work under the Project in accordance with applicable law;

38. **NOW, THEREFORE**, said Principal and the undersigned as corporate Surety, are held firmly bound unto the City of Citrus Heights and all contractors, subcontractors, laborers, materialmen and other persons employed in the performance of the aforesaid agreement and referred to in California Civil Code Section 9100 in the sum of four hundred eighty thousand dollars (**\$480,000.00**), 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 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 Section 9100 of the 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 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 _____, 2022.

SURETY

Name of Surety

Mailing Address of Surety

Telephone No. of Surety

By: _____
Attorney in Fact

PRINCIPAL

Citrus Place 8 LLC
a Utah limited liability company

By: _____
Print Name:

Print Title: Property Owner
and

By: _____
Print Name:

Print Title: Property Owner

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.

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

BOND FOR SECURITY OF INSTALLATION OF MONUMENTS

WHEREAS, the City Council of the City of Citrus Heights, State of California, and Citrus Place 8 LLC, a Utah limited liability company (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 the Citrus Place Subdivision, “Project”, 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 undersigned as corporate Surety, are held and firmly bound unto the City of Citrus Heights hereinafter called (“City”), in the sum of one thousand five hundred dollars (\$1,500.00), 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, 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 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 terms of the agreement or to the work to be performed thereunder 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 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 _____, 2022

SURETY

PRINCIPAL

Citrus Place 8 LLC
a Utah limited liability company

Name of Surety

By: _____

Print Name:

Print Title: Property Owner

and

Mailing Address of Surety

By: _____

Print Name:

Print Title: Property Owner

Telephone No. of Surety

By: _____
Attorney in Fact

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.

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

**SUBDIVISION MAINTENANCE BOND
GUARANTEE AND WARRANTY SECURITY**

WHEREAS, the City Council of the City of Citrus Heights, State of California, and Citrus Place 8 LLC, a Utah limited liability company (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 the Citrus Place Subdivision, “Project”, is hereby referred to and made a part hereof; and

WHEREAS, 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, to comply with the terms of said agreement.

NOW, THEREFORE, we, the Principal and the undersigned as corporate Surety, 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 Citrus Heights as obligee (“City”), in the penal sum of forty eight thousand dollars (**\$48,000.00**) 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 Principal, 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, Principal’s 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 hold harmless City and its officers, officials, agents, employees, and volunteer 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 anywise 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 City or any person employed by City.

IN WITNESS WHEREOF, this subdivision maintenance bond guarantee and warranty security has been duly executed by the Principal and Surety above named, on _____, 2022.

SURETY

PRINCIPAL

Citrus Place 8 LLC
a Utah limited liability company

Name of Surety

By: _____

Print Name:

Print Title: Property Owner

and

Mailing Address of Surety

By: _____

Print Name:

Print Title: Property Owner

Telephone No. of Surety

By: _____

Attorney in Fact

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.

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.