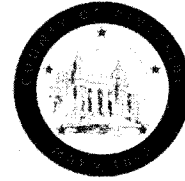


**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM
3.17
(ID # 5410)

MEETING DATE:

Tuesday, October 24, 2017

FROM : TLMA-TRANSPORTATION:

SUBJECT: TRANSPORTATION AND LAND MANAGEMENT AGENCY/TRANSPORTATION:
Approval of the Road and Bridge Benefit District Agreement between the County of Riverside and SR Conestoga, LLC for Improvements to Rice Road associated with Tract No. 31632. 3rd District; [\$3,623,323]; Road and Bridge Benefit District 100%

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Road and Bridge Benefit District (RBBB) Agreement between the County of Riverside (County) and SR Conestoga, LLC (Developer) for improvements to Rice Road associated with Tract No. 31632 (Tract); and
2. Authorize the Chairman of the Board of Supervisors to execute the same.

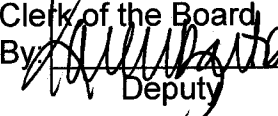
ACTION: Policy


Patricia Romo, Director of Transportation 10/4/2017

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Ashley, seconded by Supervisor Washington and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley
Nays: None
Absent: None
Date: October 24, 2017
xc: Transp.

Kecia Harper-Ihem
Clerk of the Board
By 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 3,623,323	\$ 0	\$ 3,623,323	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
			Budget Adjustment:	No
			For Fiscal Year:	17/18

C.E.O. RECOMMENDATION:

BACKGROUND:

Summary

SR Conestoga, LLC presently owns Tract No. 31632 located north of Domenigoni Parkway, south of Olive Avenue and west of State Route 79 (Winchester Road).

The Developer is conditioned to construct improvements on Rice Road that include two (2) northbound lanes, and two (2) southbound lanes between Salt Creek Channel and Domenigoni Parkway, and to install a traffic signal at the intersection of Rice Road and Domenigoni Parkway. These road improvements are identified facilities under the Menifee Valley RBBB Program.

The Developer and the County desire to enter into this RBBB Agreement to provide a means by which the Developer's eligible costs for construction of certain road improvements are offset against the Developer's obligation to pay the applicable RBBB fees for the Tract. The Developer would be eligible for up to a maximum estimated amount of RBBB credits and/or reimbursement totaling approximately \$3,623,323 from the Menifee Valley RBBB Program. Upon completion of the improvements, acceptance by the County and verification of actual costs, the County will determine the actual credits and/or reimbursement due to the Developer.

County Counsel has approved the Agreement as to legal form.

Impact on Residents and Businesses

N/A

SUPPLEMENTAL:

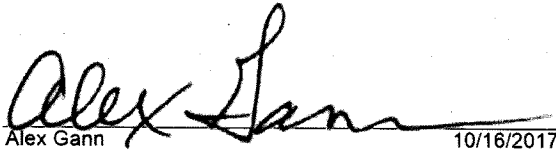
Additional Fiscal Information

Reimbursement of RBBB funds are contingent on availability and may be paid in installments over time. No General Funds will be used.

ATTACHMENTS:

- Vicinity Map
- RBBB Agreement

SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA


Alex Gann

10/16/2017



Gregory V. Priamos, Director County Counsel

10/12/2017

**PROJECT AGREEMENT
ROAD AND BRIDGE BENEFIT DISTRICT
(MENIFEE VALLEY AREA – RICE ROAD)**

THIS AGREEMENT (this "Agreement"), between the COUNTY OF RIVERSIDE, a public subdivision of the State of California, hereinafter referred to as the "County," and SR CONESTOGA, LLC, a Delaware limited liability company with its principal place of business at 41391 Kalmia Street, Suite 200, Murrieta, California, 92562, hereinafter referred to as the "Developer".

RECITALS

WHEREAS, the Board of Supervisors (the "Board") of the County of Riverside (the "County") pursuant to Section 66484 of the California Government Code and Chapter 16.28 of the Riverside County Code ("Chapter 16.28") and Resolution No. 88-242, adopted on May 24, 1988, established the Meniffee Valley Road and Bridge Benefit District ("District"), which consisted of more than one Zone and established a fee schedule for each Zone to fund a specified percentage of the estimated construction cost for those designated facilities within each Zone; and,

WHEREAS, the County, by Resolution No. 90-295, adopted on July 3, 1990, and by Resolution No. 91-480, adopted October 22, 1991, and by Resolution No. 96-02, adopted March 19, 1996, and by Resolution 2000-072, 2000-073, 2000-074 adopted April 25, 2000, and by Resolution 2000-189 adopted June 27, 2000, and by Resolution No. 2006-310 adopted on September 12, 2006, and by Resolution No. 2006-359 adopted November 13, 2006, and by Resolution No. 2017-131 adopted August 29, 2017 has amended the list of designated road and bridge improvements whose construction costs are to be funded by the District and the road and bridge improvement fee schedule; currently applicable for properties within the District is established by Resolution 2017-131; and

WHEREAS, Developer presently owns or has owned property that is located within Zone E4 of the District, and this property has received development approval from County as Tract No. 31632 (111 lots) as shown on Exhibit A which is attached hereto (the "Property" or the "Tract"); and

WHEREAS, Developer has initiated street and traffic signal improvement plan under case number MS4302 (TR 31632); and

WHEREAS, as a condition of development of the Property, the Developer is required to construct road improvements on Rice Road that include two (2) northbound lanes, and two (2) southbound lanes between Salt Creek Channel and Domenigoni Parkway, and installation of a traffic signal at the intersection of Rice Road and Domenigoni Parkway that are identified on Exhibits B and C, which is attached hereto (the "Improvements"); the design and construction costs reimbursement of the Project will be

based on actual costs and are not to exceed what is set forth in Exhibit D, respectively, that is attached hereto and, by this reference made a part hereof; and

WHEREAS, the Improvements are designated as road improvements the construction costs of which are to be funded by the District; and

WHEREAS, the Developer has developed all of the Tract(s); and

WHEREAS, the County, assuming the Project is constructed as if it is to be constructed under the direction and supervision or under the authority of the County, and can be funded by the District, consistent with Resolution No. 2017-131, based on actual cost in an amount of approximately \$3,386,533 for street Improvements and an amount up to \$236,790 for traffic signal installation for a total cost in an amount not to exceed \$3,623,323, as shown on Exhibit D; and

WHEREAS, the Developer has requested to enter into an agreement with the County by the terms of which it can be reimbursed or receive credit from fees that the District has collected or will collect in the future for actual construction costs in an amount that is not to exceed the amount specified in Exhibit D; and

WHEREAS, the County estimates the total amount of District fees that can be collected from the Property consistent with Resolution No. 2017-131 and the development rights that have been approved by County to be approximately \$323,898;

NOW, THEREFORE, for good and valuable consideration and the mutual promises contained herein, it is agreed as follows:

Section 1. Purpose of the Agreement: Following execution of this Agreement, the Developer shall cause, consistent with Sections 3 through 12, below, the Project to be designed, engineered and constructed as if it had been constructed under the direction and supervision or under the authority of the County, and the County shall pay or credit the Developer the Reimbursement Amount consistent with Exhibit D in conformance with Section 6, below.

Section 2. Definitions: Unless otherwise specifically defined in this Agreement, all terms will have the meaning ascribed to them by the Rules and Regulations for the Administration of Road and Bridge Benefit Districts of the County of Riverside.

Section 3. Preparation and Approval of Plans and Specifications: To the extent that it has not already done so, the Developer shall cause plans (the "Plans") to be prepared for the Project. The Developer shall obtain the written approval of the Plans from County. The Developer shall provide a copy of the Plans and specifications to the Director of Transportation Department of the County, or his/her designee (the "County Engineer").

Section 4. Duty of Developer to Construct: To the extent authorized by law, County will grant the Developer any license and/or permit required from it to allow for the construction of the Project as approved by County. The Developer shall perform all of its obligations hereunder and shall conduct all operations with respect to the construction of the Project in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer shall not be relieved of its obligation to construct the Project and cause title to the Project to be conveyed to the County even if the Reimbursement Amount is less than the actual cost of the Project. Notwithstanding the foregoing, nothing set forth in this Agreement shall be construed to require the Developer to perform any work requiring a contractor's license, nor shall the Developer be deemed to be performing construction services pursuant to this Agreement.

Section 5. Acquisition of County Facilities: The Developer hereby agrees to convey to the County and the County hereby agrees to pay to the Developer the Reimbursement Amount for the Project, subject to the terms and conditions hereof.

The Reimbursement Amount is to be paid solely from fees collected or to be collected by the District and designated for the cost of construction of the Project and the County shall not be obligated to pay the Reimbursement Amount except from amounts held by the District for such purposes.

Section 6. Payment of the Reimbursement Amount: The Developer accepts that this Agreement does not serve to stop the County from making further adjustments to the District Fee, by amending the District, consistent with State law. The Developer acknowledges that the Board will annually consider adjustments to the District Fee. The parties agree that the dollar amount of any fee credit to be earned by the Developer pursuant to this Agreement will be determined by the actual cost of construction incurred not to exceed Exhibit D. The maximum allowable reimbursement amount will be based on the reimbursement scheduled established by the District at the time the Developer pays District Fees. Additionally, cash reimbursement is subject to availability of funds received by the District which may include reimbursement over a period of time.

(a) Upon recordation of a Notice of Completion for the Project and acceptance of the Project by the County Engineer, the Developer shall submit a billing to the County Engineer requesting determination of the actual cost of the Project and the District Fee credit. The reimbursement amount of the earned fee credit is to equal the actual cost incurred in an amount not to exceed what is set forth in Exhibit D in constructing the Project. The Developer is to supply all documentation requested by the County Engineer in determining the actual construction cost of the Project. The County Engineer is to use his best efforts to determine the amount of the earned fee credit within thirty (30) calendar days of receipt of the bill submitted by the Developer which may include reimbursement over a period of time.

(b) The County Engineer will provide the Developer written notice, in the form of Exhibit E attached hereto (the "Credit Notice"), of the dollar amount of the earned credit. If the dollar amount of the earned fee credit exceeds the dollar amount of the District Fee that would otherwise be due from the Developer (the "Fee Credit Excess"), the County Engineer will identify in the Notice that the Fee Credit Excess will generate either: (i) a cash reimbursement to the Developer or (ii) an earned fee credit to offset the District Fee required on another approved tract or parcel map to be developed by the Developer within the District. Once completed, the Credit Notice is to be executed and dated by the County Engineer and the Developer.

(c) If the dollar amount of the earned fee credit is less than the District Fee that would be due from the Developer, the Credit Notice will so note. The amount of credit to be applied with each District Fee payment on either a per unit or per acre basis will be identified, and shall be based on prorating the earned fee credit over those units which have not previously paid the District Fee in the first phase of Tract 31632.

(d) If the Developer is issued one or more building permits prior to the date the County Engineer accepts the Project and prepares the Notice of Credit, then the Developer will have to pay the full District Fee for each permit issued, and upon acceptance of the Project by the County Engineer, the County Engineer will note on the Notice of Credit the full District fee paid to date of acceptance and make the appropriate adjustment for the application of the earned fee credit consistent with the subsections (b) or (c) above.

Section 7. Bid and Construction Requirements:

(a) In order to insure that the Project is constructed as if it had been constructed under the direction and supervision, or under the authority of, the County, the Developer shall comply with all of the requirements set forth in this Section.

(b) Prior to soliciting bids, the Developer shall submit a bid packet for review and approval to the County Engineer. The contract for the construction of the Project shall be awarded to the responsible bidder submitting the lowest responsive bid for the Project after notice inviting sealed bids is given as required for public works projects pursuant to any applicable provisions of the California Public Contracts Code and the rules, regulations and policies of the County. Upon opening of bids and prior to awarding the construction contract, the Developer shall submit the lowest responsible bidder's bid to the County Engineer for review and approval, which approval shall not be unreasonably withheld or delayed.

(c) The Developer shall require, and the specifications, bid and contract documents shall require all contractors, subcontractors, vendors, equipment operators and owner operators, in each such case to the extent such individuals or entities are engaged

to perform work on the Project, to pay at least general prevailing wage rates to all workers employed in the execution of the contract, to post a copy of the general prevailing wage rates at the job-site in a conspicuous place available to all employees and applicants for employment, and to otherwise comply with applicable provisions of the California Labor Code, the California Government Code and the California Public Contracts Code relating to general prevailing wage rates as required by the specifications approved by the County Engineer. The County has provided the Developer with copies of tables setting forth the general prevailing wage rates, and the Developer hereby acknowledges receipt thereof.

(d) The Developer shall require each contractor, subcontractor, vendor, equipment operator and owner operator, in each such case to the extent such individual or entity is engaged to perform work on the Project, to provide proof of insurance coverage satisfying the requirements of Section 12(g) hereof throughout the term of the construction of the Project. Rather than requiring its contractors to provide such insurance, the Developer may elect to provide the same for the benefit of its contractors.

(e) Each contractor engaged to perform work on the Project shall be required to furnish (i) labor and material payment bonds, and (ii) contract performance bonds, each in an amount equal to 100% of the contract price naming the Developer and the County as obligees and issued by a California admitted surety subject to the provisions of Section 995.660 of the California Code of Civil Procedure. All such bonds shall be in a form as shown in Exhibit F. Rather than requiring its contractors to provide such bonds, the Developer may elect to provide the same for the benefit of its contractors.

(f) The Developer shall comply, and shall cause each contractor, subcontractor, vendor, equipment operator and owner operator, in each such case to the extent such individual or entity is engaged to perform work on the Project, to comply, with such other requirements relating to the construction of the Project as the County may impose by written notification delivered to the Developer, to the extent legally required as a result of changes in applicable Federal, State or County laws, rules or procedures.

(g) The Developer shall require, and the specifications and bid and contract documents shall require, all contractors, subcontractors, vendors, equipment operators and owner operators, in each such case to the extent such individuals or entities are engaged to perform work on the Project, to submit certified weekly payroll records to the Developer for inspection by the County Engineer, and to furnish certified payroll records to the County Engineer promptly upon request.

The Developer shall provide proof to the County Engineer, at such intervals and in such form as the County Engineer may require, that the foregoing requirements have been satisfied as to the Project.

Section 8. Licenses and Permits: To the extent authorized by law, County will grant the Developer any license and/or permit required from it to allow for the construction

of the Project as approved by County. The form and content of said license and/or permit shall be in form mutually acceptable to both the County and the Developer.

Section 9. Modifications to the Estimated Cost Stated in Exhibit D: The lowest responsible bid for the Project shall not exceed the amounts shown in Exhibit D without a formal amendment to this Agreement. If during the course of construction of the Project, the Developer is presented with a change order or set of change orders that would increase the construction cost, the Developer must receive the approval of the County Engineer before approving the change order(s). In no instance shall the total construction costs, including any change orders, exceed the estimated costs shown in Exhibit D without a formal amendment to this Agreement. Upon approving the change order, the County Engineer will cause a formal amendment to this Agreement to be prepared, if necessary. Failure to comply with this provision will result in the County not reimbursing or crediting the Developer for any change orders.

Section 10. Inspection; Completion of Construction: The County Engineer shall have responsibility for providing inspection of the work of construction of the Project to insure that the work of construction is accomplished in accordance with the Plans and the specifications approved by the County Engineer. County personnel shall have access to the site of the work of construction at all reasonable times for the purpose of accomplishing such inspection.

No later than ten business days after receiving notification from the County that the Project has been constructed in accordance with the Plans, the Developer shall forthwith file with the Riverside County Recorder a Notice of Completion pursuant to the provisions of Section 3093 of the California Civil Code. The Developer shall furnish to the County a duplicate copy of each such Notice of Completion showing thereon the date of filing with said County Recorder.

Section 11. Maintenance of Facilities; Warranties: The Developer shall maintain the Project in good and safe condition until their acceptance by the County. Prior to the acceptance of the Project, the Developer shall be responsible for maintaining the Project in proper operating condition, and shall perform such maintenance as the County Engineer reasonably determines to be necessary. As of the date of acceptance, the performance bond provided by the Developer for the Project pursuant to Section 7(e) hereof shall be reduced to an amount equal to 10% of the original amount thereof and shall serve as a warranty bond to guarantee that the Project will be free from defects due to faulty workmanship or materials for a period of 12 months from the date of acceptance, or the Developer may elect to provide a new warranty bond or cash in such an amount. As of the date of acceptance of the Project, the Developer shall assign to the County all of the Developer's rights in any warranties, guarantees, maintenance obligations or other evidence of contingent obligations of third persons with respect to the Project.

Section 12. Insurance Requirements: Without limiting or diminishing the Developer's obligation to indemnify or hold the County harmless, the Developer shall

procure and maintain or cause to be maintained, at its sole cost and expense the following insurance coverage's during the term of this Agreement

(i) *Commercial General Liability:* Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products and completed operations, explosion, collapse, use of cranes, and other heavy equipment and underground hazards, personal and advertising injury covering claims which may arise from or out of Developer's performance of its obligations hereunder. Policy shall name by endorsement the County and its special districts, respective directors, officers, Board of Supervisors, elected officials, employees, agents or representatives as Additional Insureds. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit.

(ii) *Vehicle Liability:* Developer shall maintain liability insurance for all owned, non-owned or hired vehicles in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit. Policy shall name by endorsement the County, its special districts, their respective directors, officers, Board of Supervisors, elected officials, employees, agents or representatives as Additional Insureds.

(iii) *Worker's Compensation Insurance:* Developer shall maintain Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupation Disease with limits not less than \$1,000,000 per person per accident. Policy shall be endorsed to waive subrogation in favor of the County, and if applicable, to provide a Borrowed Servant/Alternate Employer Endorsement.

General Insurance Provisions - all lines:

(a) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A.M. Best rating of not less than an A:VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager.

(b) The Developer's insurance carrier(s) must declare its insurance deductibles or self-insured retentions. If such deductibles or self-insured retentions exceed \$500,000 per occurrence such deductibles and/or retentions shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of deductibles or self-insured retentions which are deemed unacceptable to the County, at the election of the County's Risk Manager, the Developer's carriers shall either: (i) reduce or eliminate such deductibles or self-insured retentions as respects this Agreement with the

County, or (ii) procure a bond which guarantees payment of losses and related investigations, claims administration, defense costs and expenses.

(c) The Developer shall cause their insurance carrier(s) to furnish the County with (i) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein; or (ii) if requested to do so orally or in writing by the County Risk Manager, provide original certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect.

(d) Further, said Certificate(s) and Endorsements to policies of insurance shall contain the covenant of the insurance carrier(s) that it shall provide no less than thirty (30) days written notice be given to the County prior to any material modification or cancellation of such insurance. In the event of a material modification or cancellation of coverage, this Agreement shall terminate forthwith, unless the County receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of Endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverages and the insurance required herein are in full force and effect. Individual(s) authorized by the insurance carrier to do so, on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.

(e) *The Developer shall not commence construction of the Improvements until the County has been furnished original Certificate(s) of Insurance and certified original copies of Endorsements or policies of insurance including all endorsements and any and all other attachments as required in this Section.*

(f) It is understood and agreed by the parties hereto and the Developer's insurance company(s) that the Certificate(s) of Insurance and policies shall so covenant and shall be construed as primary insurance, and the County's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.

(g) The Developer and contractors shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement and will require all such subcontractors to name on their insurance policies by endorsement the County, its special districts, their respective directors, officers, Board of Supervisors, elected officials employees, agents or representatives as Additional Insureds. Copies of such certificates and endorsements shall be provided to the County. The minimum limits of liability required of all tiers of subcontractors is \$1,000,000 Combined Single Limit for Commercial General Liability and \$1,000,000 Combined Single Limit for Vehicle Liability Insurance.

Section 13. Ownership of Facilities: Notwithstanding the fact that a portion or all of the Project may be constructed in dedicated street rights-of-way or on property that has been or will be dedicated to the County, the Project shall be and remain the property of the Developer until acceptable title thereto is conveyed to the County as provided herein. Acceptable title means title to land, or an easement therein, delivered free and clear of all liens, taxes assessments, leases, easements, and encumbrances, whether any such item is recorded or unrecorded, except those non-monetary items which are reasonably determined by the County not to interfere with the intended use of the land and the Project.

Such ownership by the Developer shall likewise not be affected by any agreement that the Developer may have entered into or may enter into with the County pursuant to the provisions of the Subdivision Map Act, Section 66410 *et seq.* of the Code, and the provisions of this Section shall control.

Section 14. Representations, Warranties and Covenants of the Developer: The Developer makes the following representations, warranties and covenants for the benefit of the County, as of the date hereof and as of the date of the Payment Request is delivered to the County hereunder:

(a) Organization. The Developer represents and warrants that the Developer is a limited liability corporation duly organized and validly existing under the laws of the State of California, is in good standing under the laws of the State of California, and has the power and authority to own its properties and assets and to carry on its business as now being conducted and as now contemplated.

(b) Authority. The Developer represents and warrants that the Developer has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered on behalf of the Developer.

(c) Binding Obligation. The Developer represents and warrants that this Agreement is a valid and binding obligation of the Developer and is enforceable against the Developer in accordance with its terms, subject to bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles.

(d) Completion of Project. The Developer covenants that it will use its reasonable and diligent efforts to do all things that may be lawfully required of it in order to cause the Project to be completed in accordance with this Agreement.

(e) Compliance with Laws. The Developer covenants that, while the Project is owned by the Developer or required pursuant to this Agreement to be maintained by the Developer, it will not commit, suffer or permit any of its agents, employees or contractors to commit any act to be done in, upon or to the Project in violation in any material respect of any law, ordinance, rule, regulation or order of

any governmental authority or any covenant, condition or restriction now or hereafter affecting the Property or the Project.

(f) Payment Requests. The Developer represents and warrants that it will diligently follow all procedures set forth in this Agreement with respect to Payment Requests.

(g) Financial Records. Until the final acceptance of the Project, the Developer covenants to maintain proper books of record and account for the Project and all costs related thereto. The Developer covenants that such accounting books will be maintained in accordance with generally accepted accounting principles, and will be available for inspection by the County and the County Engineer, at any reasonable time during regular business hours on two business days' prior written notice, subject to mutually acceptable arrangements regarding the confidentiality of proprietary data.

(h) Permits. The Developer covenants that it will obtain all governmental or other permits required to proceed with the construction of the Project and that it will pay all fees relating thereto.

(i) Environmental Matters. The Developer represents and warrants that it has complied with, has caused compliance with, or will cause compliance with, the California Environmental Quality Act as required for the construction of the Project and its conveyance to the County.

Section 15. Representations, Warranties and Covenants of County: County makes the following representations, warranties and covenants for the benefit of the Developer:

(a) Authority. County represents and warrants that County has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered on behalf of County.

(b) Binding Obligation. County represents and warrants that this Agreement is a valid and binding obligation of County and is enforceable against County in accordance with its terms, subject to bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles.

(c) Completion of the Improvements. The County covenants that it will use its reasonable and diligent efforts to take expeditiously all actions that may be lawfully required of it in issuing permits, processing and approving plans and specifications and inspecting the Project in accordance with this Agreement.

(d) Payment Requests. County represents and warrants that it will diligently follow all procedures set forth in this Agreement with respect to each payment request and payment of the Reimbursement Amount.

Section 16. Indemnification: The Developer agrees to protect, indemnify, defend and hold the County, its elected officials, officers, employees, agents, and representatives (the "Indemnified Parties") and each of them, harmless from and against any and all claims, liabilities, losses, expenses, suits, actions, decrees, judgments, awards, attorney's fees, and court costs which the Indemnified Parties, or any combination thereof, may suffer or which may be sought against or recovered or obtained from the Indemnified Parties, or any combination thereof, as a result of, or by reason of, or in consequence of, or arising out of

- (a) this Agreement,
- (b) the acquisition, construction, or installation of the Project,
- (c) the design, construction, or failure of the Project,
- (d) the untruth or inaccuracy of any representation or warranty made by the Developer in this Agreement or in any certifications delivered by or on behalf of the Developer hereunder, or
- (e) any act or omission of the Developer or any of its subcontractors, or their respective directors, officers, employees, agents, and representatives in connection with the Project. If the Developer fails to do so, the Indemnified Parties, or each of them, shall have the right, but not the obligation, to defend the same and charge all of the direct or incidental costs of such defense, including reasonable attorneys' fees and court costs to, and recover the same from, the Developer.

No indemnification is required to be paid by the Developer for any claim, liability, loss, expense, suit, action, decree, judgment, award of attorneys' fees and court costs

- (f) as a result of, or by reason of, or in consequence of, or arising out of the willful misconduct or sole or active negligence of the Indemnified Parties or
- (g) as a result of, or by reason of, or in consequence of, or arising out of the use or operation of the Project after acceptance by the County, unless such claim, liability, loss, expense, suit, action, decree, judgment, award of attorneys' fees or court costs results from the defective or improper design, defective or improper construction, or defective or improper installation of the Project by Developer, its agents, or representatives.

The Provisions of this Section shall survive the termination of this Agreement.

Section 17. Developer as a Private Developer: In performing under this Agreement, it is mutually understood that the Developer is acting as an independent contractor, and not as an agent of the County. The County shall have no responsibility for payment to any contractor, subcontractor or supplier of the Developer.

Section 18. Other Agreements: Nothing contained herein shall be construed as affecting the County's or the Developer's respective duty to perform its respective obligations under other agreements, land use regulations or subdivision requirements relating to the development of the Property, which obligations are and shall remain independent of the Developer's rights and obligations, and the County's rights and obligations, under this Agreement; provided, however, that the Developer shall use its reasonable and diligent efforts to perform each and every covenant to be performed by it under any lien or encumbrance, instrument, declaration, covenant, condition, restriction, license, order, or other agreement, the nonperformance of which could reasonably be expected to materially and adversely affect the acquisition, construction and installation of the Project.

Section 19. Binding on Successors and Assigns: Neither this Agreement nor the duties and obligations of the Developer hereunder may be assigned to any person or legal entity other than an affiliate of the Developer without the written consent of the County, which consent shall not be unreasonably withheld or delayed. Neither this Agreement nor the duties and obligations of the County hereunder may be assigned to any person or legal entity, without the written consent of the Developer, which consent shall not be unreasonably withheld or delayed. The agreements and covenants included herein shall be binding on and inure to the benefit of any partners, permitted assigns, and successors-in-interest of the parties hereto.

Section 20. Amendments: This Agreement can only be amended by an instrument in writing executed and delivered by the County and the Developer.

Section 21. Waivers: No waiver of, or consent with respect to, any provision of this Agreement by a party hereto shall in any event be effective unless the same shall be in writing and signed by such party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given.

Section 22. No Third Party Beneficiaries: No person or entity shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than the County and the Developer (and their respective successors and assigns), any rights, remedies, obligations or liabilities under or by reason of this Agreement.

Section 23. Notices: Any written notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication to be given hereunder shall be given to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other party in writing from time to time, namely:

DEVELOPER
James A. Lytle
Manager
41391 Kalmia Street, Suite 200

COUNTY
Patricia Romo
Director of Transportation
County of Riverside

Murietta, CA 92562
Phone: (951) 200-2344
Fax: (951) 834-9801
Reed Chilton
Albert A. Webb Associates – CM
3788 McCray Street
Riverside, CA 92506
Phone: (951) 320-6031
Fax: (951) 788-1256

4080 Lemon St., 8th Floor
Riverside, CA 92501
Phone: (951) 955-6740
Fax: (951) 955-3198

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed (a) if personally served or delivered, upon delivery, (b) if given by electronic communication, whether by telex, telegram or telecopy, upon the sender's receipt of an appropriate answerback or other written acknowledgment, (c) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, 72 hours after such notice is deposited with the United States mail, (d) if given by overnight courier, with courier charges prepaid, 24 hours after delivery to said overnight courier, or (e) if given by any other means, upon delivery at the address specified in this Section.

Section 24. Jurisdiction and Venue: Each of the County and the Developer (a) agrees that any suit action or other legal proceeding arising out of or relating to this Agreement shall be brought in the Courts of the United States of America in the district in which said County is located, (b) consents to the jurisdiction of each such court in any suit, action or proceeding, and (c) waives any objection that it may have to the laying of venue or any suit, action or proceeding in any of such courts and any claim that any such suit, action or proceeding has been brought in an inconvenient forum. Each of the County and the Developer agrees that a final and non-appeal-able judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

Section 25. Attorneys' Fees: If any action is instituted to interpret or enforce any of the provisions of this Agreement, the party prevailing in such action shall be entitled to recover from the other party thereto reasonable attorney's fees and costs of such suit (including both prejudgment and post judgment fees and costs) as determined by the court as part of the judgment.

Section 26. Governing Law: This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

Section 27. Usage of Words: As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine.

Section 28. Counterparts: This Agreement may be executed in counterparts, each of which shall be deemed an original.


Section 29. Severability: If any term, provision, condition or covenant of this Agreement or the application thereof to any party or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this instrument, or the application of such term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

[Signatures on the following page]

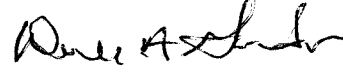
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement and will be made effective on the day and year signed by the Riverside County Board of Supervisor's Chairman.

COUNTY OF RIVERSIDE

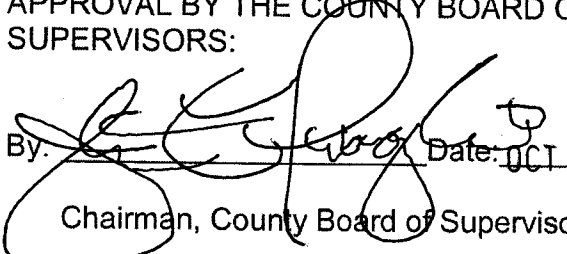
RECOMMENDED FOR APPROVAL:

By:  Date: 10-4-17
Patricia Romo
Director of Transportation

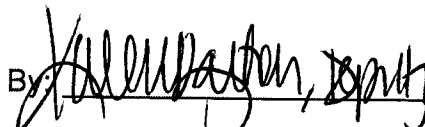
APPROVED AS TO FORM:

By:  Date: 10/11/17
Dale A. Gardner
County Counsel

APPROVAL BY THE COUNTY BOARD OF SUPERVISORS:

By:  Date: OCT 24 2017
Chairman, County Board of Supervisors


ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By:  Date: OCT 24 2017
Clerk of the Board (SEAL)

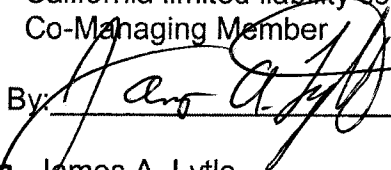
DEVELOPER

SR Conestoga, LLC, a Delaware limited liability company

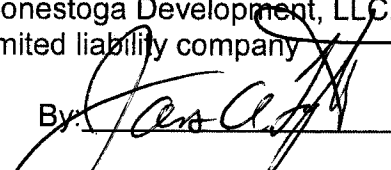
By: Strata Conestoga, LLC, a Delaware limited liability company,
Co-Managing Member

By:  Date: _____
David C. Michan
Printed Name
Manager
Title

By: Conestoga Development, LLC, a California limited liability company,
Co-Managing Member

By:  Date: _____
James A. Lytle
Printed Name
Manager
Title

Conestoga Development, LLC, a California limited liability company

By:  Date: _____
James A. Lytle
Printed Name
Manager
Title

See attached acknowledgment

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)
County of San Diego)

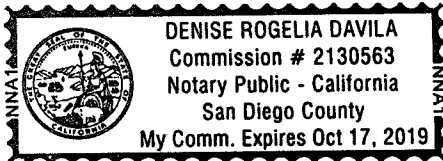
On September 8, 2017 before me, Denise Rogelia Davila, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared David C. Michan
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature Denise Davila
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)
County of Riverside)

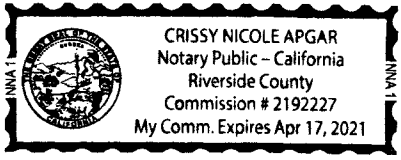
On September 7, 2017 before me, Crissy Nicole ApGAR, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared James A. Lytle
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature Crissy ApGAR
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____
Document Date: _____ Number of Pages: _____
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

[ATTACH BEHIND THIS PAGE]

EXHIBIT A

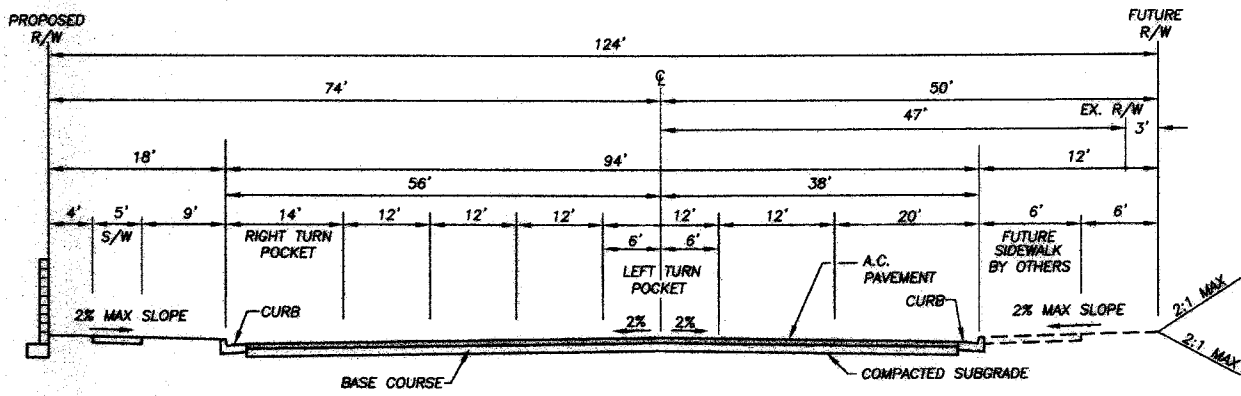
Real property in the City of Unincorporated, County of Riverside, State of California, described as follows:

LOTS 1 THROUGH 108, INCLUSIVE, AND LETTERED LOTS "A" THROUGH "K", INCLUSIVE, OF TRACT NO. 31632, AS PER MAP RECORDED IN BOOK 452, PAGES 24 THROUGH 31, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.
APN: 461-200-042-5 AND 461-200-044-7 AND 461-200-045-8

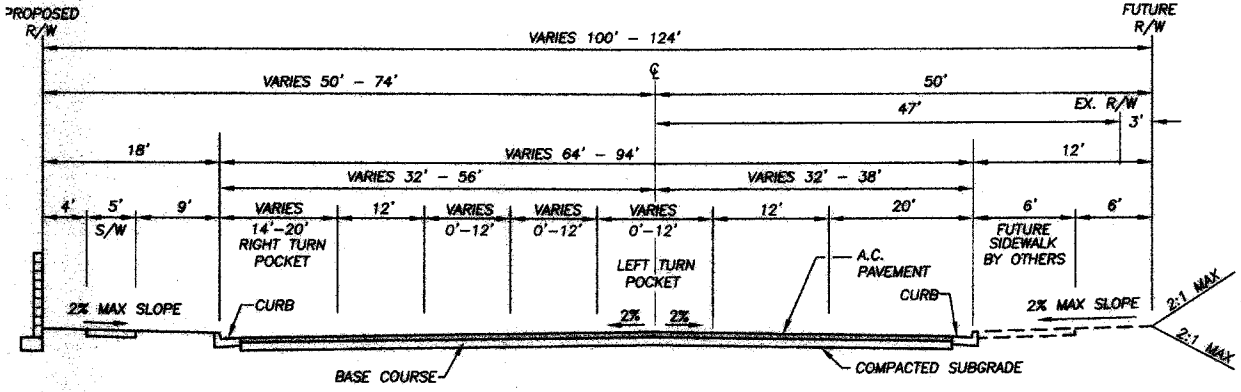
EXHIBIT "B"

TYPICAL CROSS SECTION

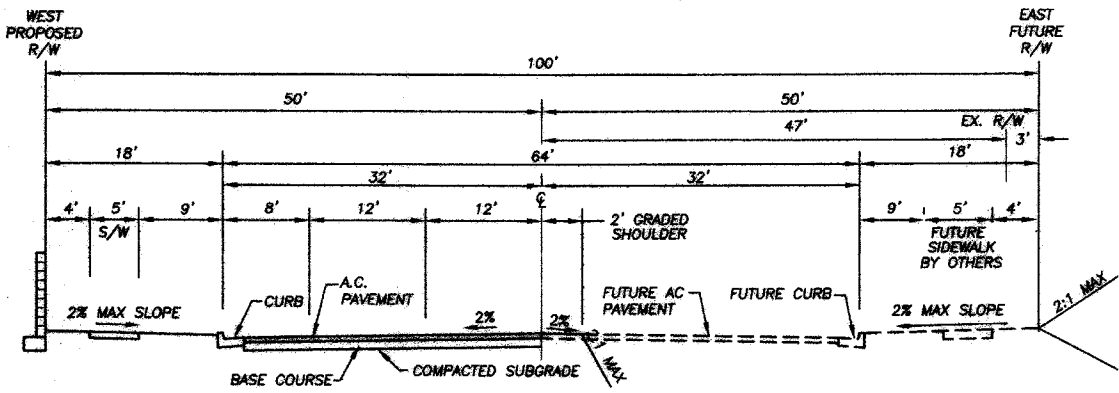
[ATTACH BEHIND THIS PAGE]



TYPICAL SECTION
 SECONDARY HIGHWAY
 STD. No. 94
 MODIFIED PER THIRD SUPERVISORIAL DISTRICT STANDRDS
RICE ROAD (STA. 13+85.28 TO 14+00.63)
 NTS
 (T.I.=7.0, R=6, A.C.=0.33', A.B=1.43')



TYPICAL SECTION
 SECONDARY HIGHWAY
 STD. No. 94
 MODIFIED PER THIRD SUPERVISORIAL DISTRICT STANDRDS
RICE ROAD (STA. 14+00.63 TO 17+53.83)
 NTS
 (T.I.=7.0, R=6, A.C.=0.33', A.B=1.43')



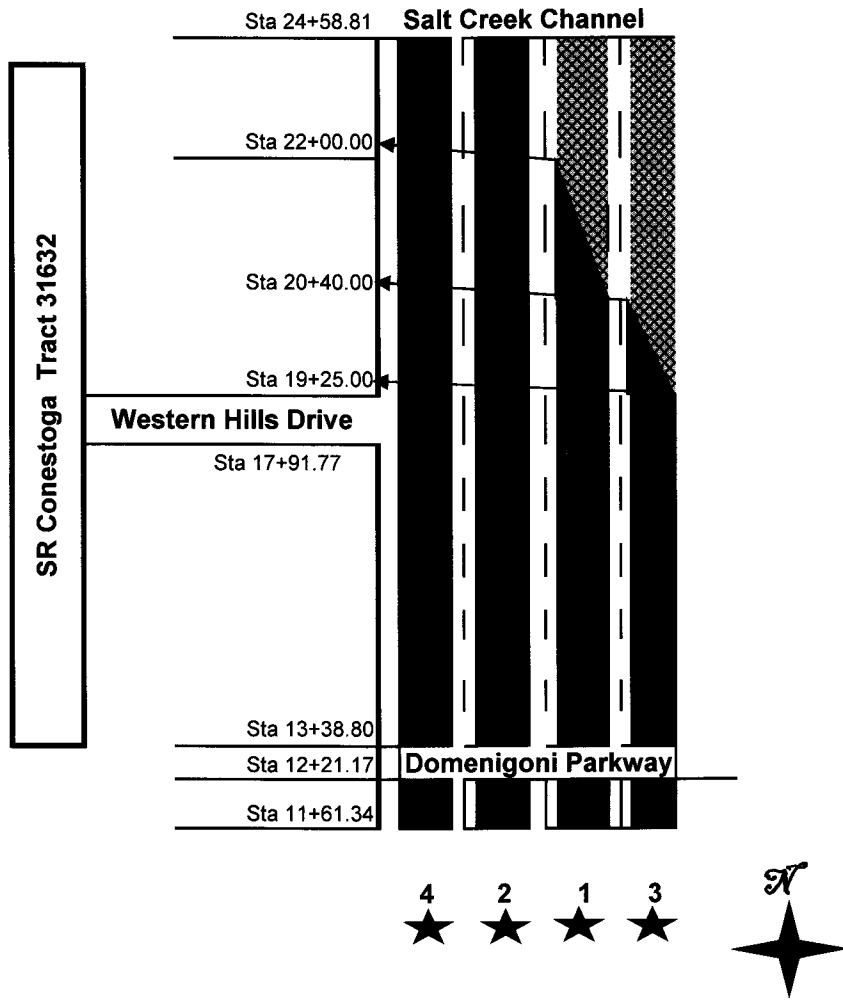
TYPICAL SECTION
 SECONDARY HIGHWAY
 STD. No. 94
 MODIFIED PER THIRD SUPERVISORIAL DISTRICT STANDRDS
RICE ROAD (STA. 17+53.83 TO 24+53.53)
 NTS
 (T.I.=7.0, R=6, A.C.=0.33', A.B=1.43')

EXHIBIT "C"

IMPROVEMENTS DIAGRAM

[ATTACH BEHIND THIS PAGE]

Rice Road Street Improvements Diagram



★ Lanes 1, 2, 3, and 4 of roadway covered by RBBD

EXHIBIT C

EXHIBIT "D"

FACILITY BUDGET

[ATTACH BEHIND THIS PAGE]

EXHIBIT D

I. REIMBURSEMENT:

The final settlement shall be based on the actual allowable cost of design, engineering, and construction costs for the completion and acceptance of the project described in this Agreement, and shall not exceed the maximum obligation of the COUNTY herein. The Menifee Road and Bridge Benefit District will not provide reimbursement for:

- Tapers that will not be part of ultimate improvements;
- Frontage improvements including but not limited to curb, gutter, and sidewalks; and
- Right-of-Way Costs

II. MAXIMUM REIMBURSEMENT:

Eligible Reimbursement for Rice Road:

Lane one (1) for seven hundred sixty one (761) linear feet	\$ 684,139
Lane two (2) for one thousand one hundred eighty (1,180) linear feet	\$1,060,820
Lane three (3) for six hundred forty six (646) linear feet	\$ 580,754
Lane four (4) for one thousand one hundred twenty (1,180) linear feet	\$1,060,820
Traffic Signal Installation at Rice Road and Domenigoni Parkway	\$ 236,790

Maximum Eligible reimbursement pursuant to Resolution No. 2017-131 is \$3,386,533 (Street Improvements) and \$236,790 (Traffic Signal installation) for a total cost of not to exceed \$3,623,323.

III. DOCUMENTATION TO BE PROVIDED BY DEVELOPER

To assist the County in determining the eligible costs for a completed Improvement, Developer will provide the following documents to County:

1. Plans, specifications and Developer's civil engineer's cost estimate;
2. List of bidders from whom bids were requested;
3. Construction schedules and progress reports;
4. Contracts, insurance certificates with each contractor or vendor;
5. Change orders and County approvals for each change order;
6. Invoices received from all vendors;
7. Canceled checks from payments made to contractors and vendors(copy both front and back of canceled checks);
8. Spreadsheet showing total costs incurred in and related to the construction of each Improvement and the check number for each item of cost and invoice;
9. Final lien releases from each contractor and vendor;

10. Recorded Notice of Completion; and
11. Such further documentation as may be reasonably required by County to evidence the completion of construction and the payment of each item of cost and invoice.

SR Conestoga LLC Tract 31632

FACILITY BUDGET WORKSHEET -- Rice Road - Menifee Valley RBBB Zone

Street RBBB Reimbursement Budget			Full RBBB Cost
Rice Road (Olive Ave to Domenigoni Pkwy/Newport Rd)			\$ 6,903,468
7,680 Linear Ft for 4 lanes			
Reimbursement per linear ft for 1 lane			\$ 899

TR 31632 Street Improvements Cost Estimates	Linear Feet	Lane Count	Amount
Lane 1			
Sta 11+61.34 to Sta 12+21.17	60	1	\$ 53,940
Lane 1			
Sta 13+38.80 to Sta 20+40.00	701	1	\$ 630,199
Lane 2			
Sta 11+61.34 to Sta 12+21.17	60	1	\$ 53,940
Lane 2			
Sta 13+38.80 to Sta 24+58.81	1,120	1	\$ 1,006,880
Lane 3			
Sta 11+61.34 to Sta 12+21.17	60	1	\$ 53,940
Lane 3			
Sta 13+38.80 to Sta 19+25.00	586	1	\$ 526,814
Lane 4			
Sta 11+61.34 to Sta 12+21.17	60	1	\$ 53,940
Lane 4			
Sta 13+38.80 to Sta 24+58.81	1,120	1	\$ 1,006,880
Taper Lane 1			
Sta 20+40.00 to Sta 22+00.00 Disallowed (not usable)	-	-	\$ -
Taper Lane 3			
Sta 19+25.00 to Sta 20+40.00 Disallowed (not usable)	-	-	\$ -
Rice Road Street Maximum RBBB Program Reimbursement:	3,767		\$ 3,386,533

Traffic Signal Installation RBBB Reimbursement Budget			Full RBBB Cost
Traffic Signal Installation at Rice Road and Domenigoni Parkway			\$ 236,790
Traffic Signal Maximum RBBB Program Reimbursement			\$ 236,790

Maximum RBBB Program Road and Traffic Signal Reimbursement TR 31632 Rice Road			\$ 3,623,323
--	--	--	---------------------

RBBB Obligation of 111 units @ \$2,918 = \$323,898.00

EXHIBIT "E"

CREDIT NOTICE

[ATTACH BEHIND THIS PAGE]

EXHIBIT E
REIMBURSEMENT/CREDIT AUTHORIZATION REQUEST

CONTRACT NO./PROJECT TITLE: _____

(Firm Name - Principal)

(Business Address)

By: _____
(Signature)

(Title)

Agreement Not To Exceed Amount: \$ _____

Previously Authorized Amounts: Reimbursements: \$ _____ Credits: \$ _____

Amount Of Request: Reimbursements: \$ _____ Credits: \$ _____

Required Attachments:

- Invoice with Remit To Address
- Supporting Documentation Showing Payments For Reimbursable Items
- For Reimbursements Check One:
 - _____ W-9 Form (with first request)
 - _____ Vendor Registration Completed Online (www.co.riverside.ca.us/purchindex.asp)
 - _____ Vendor Registration Completed With Previous Reimbursement Request

FOR COUNTY USE ONLY:

Description Of Any Requested Reimbursement/Credit Amounts That Are Denied Or Withheld:

_____ DENIED \$ _____

_____ WITHHELD \$ _____

Authorized Amounts: Reimbursements: \$ _____ Credits: \$ _____

Amount of Prorated Credit to be Applied with each Fee Payment: \$ _____ / _____ (DU or Acre)

Authorized Signature: _____ Date: _____

Work Order: _____ Task Code: _____

EXHIBIT "F"

CONTRACT PERFORMANCE BOND & PAYMENT BOND

[ATTACH BEHIND THIS PAGE]

This bond was executed in
four (4) identical counterparts.

Bond No. CAC714699
Premium: \$6,170.00

PERFORMANCE BOND

Recitals:

1. Lee & Stires, Inc. (Contractor) intends to enter into an Agreement with SR Conestoga, LLC (Owner) and County of Riverside as Co-Beneficiary for construction of public work known as STREET IMPROVEMENTS ON RICE ROAD AND TRAFFIC SIGNAL IMPROVEMENTS AT RICE ROAD AND DOMENIGONI PARKWAY.
2. Merchants Bonding Company (Mutual), a Iowa corporation (Surety), is the Surety under this Bond.

Agreement:

We, Contractor, as Principal, and Surety, as Surety, jointly and severally agree, state, and are bound unto Owner, as obligee, as follows:

1. The amount of the obligation of this Bond is 100% of the estimated contract price for the Project of \$819,996.23 and inures to the benefit of the Owner.
2. This Bond is exonerated by Contractor doing all things to be kept and performed by it in strict conformance with the Contract Documents for the Project, otherwise it remains in full force and effect for the recovery of loss, damage and expense of the Owner resulting from failure of Contractor to so act. All of said Contract Documents are incorporated herein.
3. This obligation is binding on our successors and assigns.
4. For value received, Surety stipulates and agrees that no change, time extension, prepayment to Contractor, alteration or addition to the terms and requirements of the Contract Documents or the work to be performed thereunder shall affect its obligations hereunder and waives notice as to such matters, except the total contract price cannot be increased by more than 10% without approval of Surety.

THIS BOND is executed as of June 22, 2017

By Lee & Stires, Inc.
Charles S. Brown VP

By _____

Title Vice President
"Contractor"

By Merchants Bonding Company (Mutual)

Type Name Dwight Reilly
Its Attorney in Fact
"Surety"

(Corporate Seal)

(Corporate Seal)

NOTE: This Bond must be executed by both parties with corporate seal affixed. All signatures must be acknowledged. (Attach acknowledgements).

ACKNOWLEDGMENT

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

State of California
County of Orange)

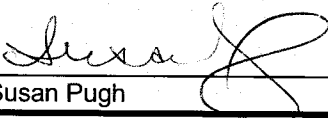
On June 22, 2017 before me, Susan Pugh, Notary Public
(insert name and title of the officer)

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

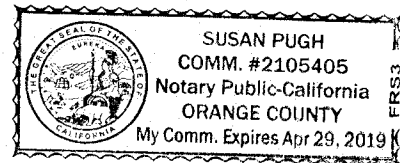
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature


Susan Pugh

(Seal)



MERCHANTS
BONDING COMPANY
POWER OF ATTORNEY

Bond No. CAC714699

Know All Persons By These Presents, that MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., both being corporations of the State of Iowa (herein collectively called the "Companies") do hereby make, constitute and appoint, individually,

Arturo Ayala; Daniel Huckabay; Dwight Reilly; Michael Castaneda; Shaunna Rozelle Ostrom

their true and lawful Attorney(s)-in-Fact, to make, execute, seal and deliver on behalf of the Companies, as Surety, bonds, undertakings and other written obligations in the nature thereof, subject to the limitation that any such instrument shall not exceed the amount of:

TWENTY MILLION (\$20,000,000.00) DOLLARS

This Power-of-Attorney is granted and is signed and sealed by facsimile under and by authority of the following By-Laws adopted by the Board of Directors of Merchants Bonding Company (Mutual) on April 23, 2011 and adopted by the Board of Directors of Merchants National Bonding, Inc., on October 24, 2011.

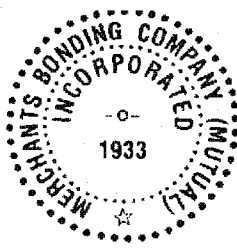
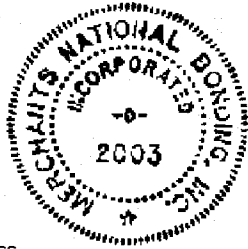
"The President, Secretary, Treasurer, or any Assistant Treasurer or any Assistant Secretary or any Vice President shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof."

"The signature of any authorized officer and the seal of the Company may be affixed by facsimile or electronic transmission to any Power of Attorney or Certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually fixed."

In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.

In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner-Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

In Witness Whereof, the Companies have caused this instrument to be signed and sealed this 10th day of March, 2017



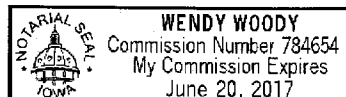
**MERCHANTS BONDING COMPANY (MUTUAL)
MERCHANTS NATIONAL BONDING, INC.**

By *Larry Taylor*

President

STATE OF IOWA
COUNTY OF Dallas ss.

On this 10th day of March, 2017, before me appeared Larry Taylor, to me personally known, who being by me sworn did say that he is President of the MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC.; and that the seals affixed to the foregoing instrument are the Corporate seals of the Companies; and that the said instrument was signed and sealed in behalf of the Companies by authority of their respective Boards of Directors.

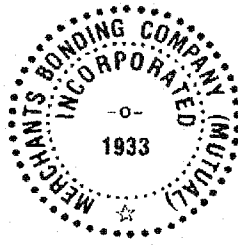


Wendy Woody
Notary Public, Polk County, Iowa

(Expiration of notary's commission does not invalidate this instrument)

I, William Warner, Jr., Secretary of the MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., do hereby certify that the above and foregoing is a true and correct copy of the POWER-OF-ATTORNEY executed by said Companies, which is still in full force and effect and has not been amended or revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Companies on this 22nd day of June, 2017



William Warner Jr.
Secretary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

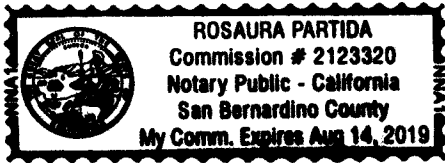
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Bernardino)
On June 26, 2017 before me, Rosaura Partida
Date Here Insert Name and Title of the Officer
personally appeared Charles S. Brown
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature Rosaura Partida
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Performance Bond
Document Date: June 22, 2017 Number of Pages: 1
Signer(s) Other Than Named Above: NO OTHER SIGNERS

Capacity(ies) Claimed by Signer(s)

Signer's Name: Charles S. Brown
 Corporate Officer — Title(s): vice president
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

My Comm. Expires Aug 14, 2019
San Bernardino County
Notary Public - California
Commission # 5152350
RUBEN PARTIDA



This bond was executed in four (4) identical counterparts.

PAYMENT BOND

Bond No. CAC714699
Premium: See
Performance Bond

(Public Work - Civil Code 3247 et seq.)

The makers of this Bond are Lee & Stires, Inc., as Principal and Original Contractor and Merchants Bonding Company (Mutual), a corporation, authorized to issue Surety Bonds in California, as Surety, and this Bond is issued in conjunction with that certain public works contract to be executed between Principal and SR Conestoga, LLC a private entity, as Owner, and County of Riverside as Co-Beneficiary for \$819,996.23, the total amount payable. THE AMOUNT OF THIS BOND IS ONE HUNDRED PERCENT OF SAID SUM. Said contract is for public work generally consisting of Street Improvements on Rice Road and Traffic Signal Improvements at Rice Road and Domenigoni Parkway

The beneficiaries of this Bond are as is stated in 3248 of the Civil Code and requirements and conditions of this Bond are as is set forth in 3248, 3249, 3250 and 3252 of said code. Without notice, Surety consents to extension of time for performance, change in requirements, amount of compensation, or prepayment under said contract.

DATED: June 22, 2017

Lee & Stires, Inc.
Original Contractor - Principal
Charles S. Brown

Merchants Bonding Company (Mutual)
Surety

By [Signature]

By [Signature]
Dwight Reilly Its Attorney In Fact

Title Vice president

(If corporation, affix seal)

(Corporate Seal)

(Corporate Seal)

STATE OF CALIFORNIA
COUNTY OF _____

} ss. SURETY'S ACKNOWLEDGEMENT

On _____ before me, _____ personally appeared, _____, known to me, or proved to me on the basis of satisfactory evidence, to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacities, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument. I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct. WITNESS my hand and official seal.

Signature of Notary Public

Notary Public (Seal)

Note: All signatures must be notarized

ACKNOWLEDGMENT

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

State of California
County of Orange)

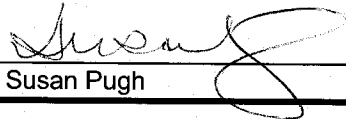
On June 22, 2017 before me, Susan Pugh, Notary Public
(insert name and title of the officer)

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

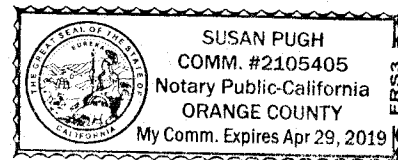
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature


Susan Pugh

(Seal)



MERCHANTS
BONDING COMPANY
POWER OF ATTORNEY

Bond No. CAC714699

Know All Persons By These Presents, that MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., both being corporations of the State of Iowa (herein collectively called the "Companies") do hereby make, constitute and appoint, individually,

Arturo Ayala; Daniel Huckabay; Dwight Reilly; Michael Castaneda; Shaunna Rozelle Ostrom

their true and lawful Attorney(s)-in-Fact, to make, execute, seal and deliver on behalf of the Companies, as Surety, bonds, undertakings and other written obligations in the nature thereof, subject to the limitation that any such instrument shall not exceed the amount of:

TWENTY MILLION (\$20,000,000.00) DOLLARS

This Power-of-Attorney is granted and is signed and sealed by facsimile under and by authority of the following By-Laws adopted by the Board of Directors of Merchants Bonding Company (Mutual) on April 23, 2011 and adopted by the Board of Directors of Merchants National Bonding, Inc., on October 24, 2011.

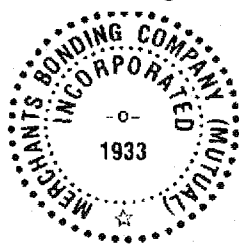
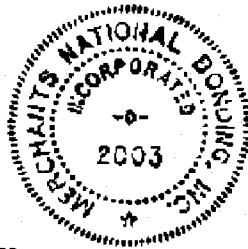
"The President, Secretary, Treasurer, or any Assistant Treasurer or any Assistant Secretary or any Vice President shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof."

"The signature of any authorized officer and the seal of the Company may be affixed by facsimile or electronic transmission to any Power of Attorney or Certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually fixed."

In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.

In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner-Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

In Witness Whereof, the Companies have caused this instrument to be signed and sealed this 10th day of March, 2017



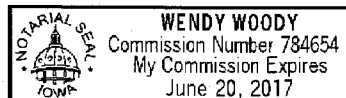
MERCHANTS BONDING COMPANY (MUTUAL)
MERCHANTS NATIONAL BONDING, INC.

By *Larry Taylor*

President

STATE OF IOWA
COUNTY OF Dallas ss.

On this 10th day of March, 2017, before me appeared Larry Taylor, to me personally known, who being by me sworn did say that he is President of the MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC.; and that the seals affixed to the foregoing instrument are the Corporate seals of the Companies; and that the said instrument was signed and sealed in behalf of the Companies by authority of their respective Boards of Directors.



Wendy Woody
Notary Public, Polk County, Iowa

(Expiration of notary's commission does not invalidate this instrument)

I, William Warner, Jr., Secretary of the MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., do hereby certify that the above and foregoing is a true and correct copy of the POWER-OF-ATTORNEY executed by said Companies, which is still in full force and effect and has not been amended or revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Companies on this 22nd day of June, 2017



William Warner Jr.
Secretary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)
County of San Bernardino)
On June 26, 2017 before me, Rosaura Partida, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Charles S. Brown
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature Rosaura Partida
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Payment Bond
Document Date: June 22, 2017 Number of Pages: 1
Signer(s) Other Than Named Above: NO OTHER SIGNERS

Capacity Claimed by Signer

Signer's Name: Charles S. Brown Signer's Name: _____
 Corporate Officer — Title(s): Vice President Corporate Officer — Title(s): _____
 Partner — Limited General Partner — Limited General
 Individual Attorney in Fact Individual Attorney in Fact
 Trustee Guardian or Conservator Trustee Guardian or Conservator
 Other: _____ Other: _____
Signer Is Representing: _____ Signer Is Representing: _____

FLORIDA / FLORIDA
Commission # 213320
Notary Public - California
San Bernardino County
My Comm. Expires Aug 14, 2019

