

JOINT COMMUNITY FACILITIES FINANCING AGREEMENT
(EL DORADO HILLS COMMUNITY SERVICES DISTRICT)

COMMUNITY FACILITIES DISTRICT NO. 1992-1
(EL DORADO HILLS)
EL DORADO COUNTY, CALIFORNIA

This Agreement dated September 22, 1992 between the COUNTY OF EL DORADO (the "County"), and the EL DORADO HILLS COMMUNITY SERVICES DISTRICT ("EDHCSD"), (collectively referred to herein as the "Parties" and individually as a "Party"), under the authority of California Government Code Section 53316.2.

WHEREAS the Parties propose that the County conduct proceedings under the Mello-Roos Community Facilities Act of 1982 (the "Act") to form Community Facilities District No. 1992-1, (El Dorado Hills) El Dorado County, California (the "CFD") to finance certain public facilities (hereinafter called the "Facilities") which include not only Facilities of the County, but also Facilities for EDHCSD (the "EDHCSD Facilities"), and which may include Facilities for other public utilities and the El Dorado Irrigation District; and

WHEREAS EDHCSD desires to cooperate with the County in accomplishing the financing of the EDHCSD Facilities to be authorized by the CFD, and to confer upon the County full power to act in the financing proceedings in respect of the EDHCSD Facilities; and

WHEREAS the Parties wish to provide that the CFD proceedings are solely for the purpose of raising funds for the Facilities, and that each Party shall be solely and separately responsible for all

other aspects of planning, acquiring, constructing, reconstructing, rehabilitating, furnishing and equipping its own Facilities;

NOW, THEREFORE, the Parties agree as follows:

1. This agreement is determined to be in the best interests of the residents of the County and EDHCSD and the future residents of the area within the proposed CFD.

2. The above recitals are agreed to.

3. Pursuant to Government Code Section 53316.2, the County will conduct proceedings under the Act to form the CFD to authorize financing of the EDHCSD Facilities. The EDHCSD Facilities shall be those shown on Exhibit A, attached hereto and incorporated herein by this reference. The CFD will not have sufficient funds to finance all of the facilities which it will be authorized to finance. The portion of the authorized EDHCSD Facilities actually to be financed through the CFD has yet to be determined. Any portion of the EDHCSD Facilities not funded through the CFD shall be funded by the developer. The County agrees to keep EDHCSD informed by the status of such proceedings.

4. The County shall administer the CFD, including employing and paying all consultants, annually levying the special tax and all aspects of paying and administering any bonds which may be issued in respect of the CFD, and complying with all State and Federal requirements appertaining to the proceedings, including the requirements of the United States Internal Revenue Code. EDHCSD will not participate in nor be considered a participant in the Mello-Roos proceedings (other than as a Party to this Agreement)

nor will it, for any purpose, be or be considered to be an issuer of the bonds, except only that for arbitrage purposes under the United States Internal Revenue Code and regulations issued thereunder, EDHCSD shall be considered the issuer of any bond issue in the same ratio that usable proceeds of that issue are to be applied to EDHCSD Facilities.

5. The County will indemnify and hold EDHCSD harmless from any and all claims or suits arising out of the conduct of the Mello-Roos proceedings; the authorization for, the levying and collection of the special tax and the authorization for, issuance, sale and administration of the bonds.

6. The County agrees to have prepared, and keep available to EDHCSD, records of all legal and financial proceedings of the CFD including but not limited to special tax collections, disbursement and investment of tax and bond proceeds, the administration of the various funds and accounts to be established pursuant to the Mello-Roos proceedings, and the like.

7. Transfer of title of the various Public Improvements to EDHCSD, and payment of any reimbursement therefor, shall be accomplished in accordance with the "County of El Dorado, Department of Transportation, Guidelines for Special District Acquisition Projects," a copy of which is attached hereto as Exhibit B. EDHCSD is a "reviewing agency" under Section 6.4(c) of the Guidelines, and is one of the "other agencies" under Section 6.5 of the Guidelines. EDHCSD agrees to take ownership of its own Facilities, to take maintenance responsibility for all of its

Facilities upon acceptance thereof, and to indemnify and hold harmless the County, and the CFD, from any and all claims arising out of all aspects of planning, designing, acquiring, constructing, reconstructing, rehabilitating, furnishing and equipping its own Facilities where the County and the CFD are not otherwise indemnified by the Developer.

8. If, for any reason, EDHCSD holds funds of the CFD at any time, EDHCSD agrees to hold and invest such funds in strict compliance with any instructions provided by the County's bond counsel, provided that nothing shall interfere with EDHCSD's right to make timely payments on any contracts.

9. EDHCSD hereby consents to the formation of the CFD in conformance with this Agreement and consents to the assumption of jurisdiction for the proceedings by the County with the understanding that the County may hereafter take each and every step required for or suitable for consummation of the proceedings and the levying, collecting and enforcement of the special taxes, and the issuance and administration of bonds.

10. The CFD proceedings permitted by this Agreement may vary from the terms hereof only with the written consent of the Parties.

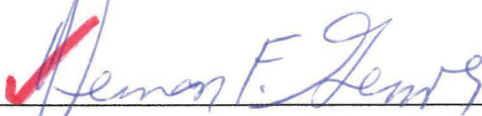
11. This Agreement may be amended by a writing signed by the Parties, except that no amendment may be made after the issuance of bonds of the CFD that would be detrimental to the interests of the bondholders without complying with all of the bondholder consent provisions for the amendment of the bond resolutions or bond indentures applicable to all outstanding bonds.

12. This Agreement shall remain in force until all bonds of the CFD have been retired and the authority to levy the special tax conferred by the CFD proceedings has ended.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

COUNTY OF EL DORADO

EL DORADO HILLS COMMUNITY
SERVICES DISTRICT

By 

VERNON E. GERWER

By 

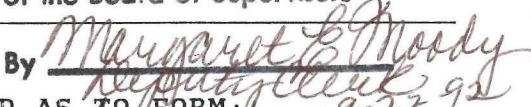
F. RUSSELL WEST

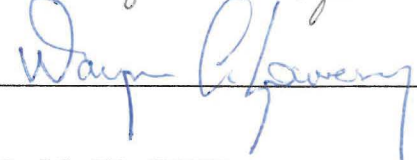
Its Chairman 9-22-92

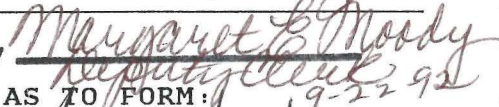
Its President of the Board of Directors

ATTEST: DIXIE L. FOOTE, Clerk

of the Board of Supervisors

Attest: 

Attest: 

By 

APPROVED AS TO FORM: 9-22-92

APPROVED AS TO FORM:

William A. Smith 4/27/93



County Counsel

Counsel, El Dorado Hills
Community Services District

EXHIBIT A

PARKS AND OPEN SPACE FACILITIES

1. 10-\+ acre community park (Village Green)
2. 10-\+ acre district park (school site S-3)
3. 8-\+ acre district park (school site S-1)
4. Improvements to the public, natural open space in the form of, but not limited to, pedestrian and equestrian trails, parking areas and fire prevention works.

EXHIBIT B

COUNTY OF EL DORADO DEPARTMENT OF TRANSPORTATION GUIDELINES FOR SPECIAL DISTRICT ACQUISITION PROJECTS

INTRODUCTION

The Board of Supervisors authorizes the Department of Transportation (DOT)/Special Districts Section to oversee the acquisition and reimbursement of Special Infrastructure Finance Districts.

The purpose of these guidelines is to describe the process of administration, construction, acceptance, and reimbursement for Special District Acquisition Projects. It is recognized that special circumstances may require deviation and/or modification of these guidelines to satisfactorily complete the projects in compliance with applicable Federal, State, and Local law, previous Agreements, environmental concerns, or other criteria which are equally important and consistent with sound public policy and prudent engineering judgement. The affected County Agency/Department(s) may suggest and the Assessment District Screening Committee may approve any deviation and/or modification to these guidelines. It is understood that any applicable agreement including an Acquisition, Funding, and Disclosure Agreement (AFDA) takes precedence over the guidelines included herein in any area of conflict.

The responsibility within the County for Acquisition Projects is assigned as follows:

- a. Formation of Special District - DOT/Special Districts
- b. Plan review and approval - DOT/Construction Unit
- c. Construction Inspection - DOT/Construction Unit
- d. Engineering Review of Acquisition Reports - DOT/Construction Unit
- e. Financial Review of Acquisition Reports - DOT/Special Districts
- f. Reimbursement - Auditor-Controller

1.0 Definitions

- a. Acquisition, Funding, and Disclosure Agreement (AFDA) - An agreement between a Developer, the County of El Dorado, and a Community Facilities District allowing the District to acquire certain public facilities from a developer. Also known as an Acquisition Agreement.
- b. Acquisition Facility - Those certain public facility improvements which are described in an Engineer's Report and AFDA.

c. Acquisition Facility Number - Sequential numbers which have been assigned by the District Engineer to each Acquisition Facility in order to correlate them with the Facilities listed in the Engineer's Report and the Acquisition Report.

d. Acquisition Projects - As defined by these guidelines, is an Acquisition Facility within an approved Special Infrastructure Finance District (Special District) constructed by a Developer for reimbursement under the provisions of these guidelines and pursuant to the applicable Acquisition, Funding, and Disclosure Agreement.

e. Acquisition Report - A summary report submitted by the District Engineer containing submittals from a Developer and the review, analysis and recommendation of the District Engineer regarding a Developer's request for reimbursement for a Facility.

f. Advertisement - Published public notice soliciting bids for the Project, in accordance with public contract law.

g. Bid Documents - Plans, specifications, and proposal documents prepared by/under the supervision of the Design Engineer conforming with policies, rules, regulations and laws applicable to the County, suitable for the solicitation and submittal of bids by contractors for construction of the Acquisition Project.

h. Community Facilities Districts (CFDs) - Districts legally formed by the County of El Dorado pursuant to the Mello-Roos Community Facilities Act of 1982.

i. Completed Facilities - Those certain facilities which were completed prior to the date of District formation and are eligible as an Acquisition Facility.

j. Construction Security - Performance bonds and labor and material bonds or other security provided by the contractor to the Developer which guarantee that the contractor will meet all contractual obligations, and which will be in a form assignable to the County.

k. Contractor - A contractor who possess the appropriate California contractor license(s) for the work required to be performed in the Acquisition Project.

l. Design Engineer - A licensed California Civil Engineer who has been retained by the Developer for the purpose of Designing and/or

supervising construction of the facilities included in the Special District.

m. Developer - An individual, group, corporation, partnership, etc., which meets the requirements of the applicable District Formation Rules set forth by the County and which has applied to and has been approved by the County to form a Special Infrastructure Finance District (Special District).

n. Disadvantaged Business Enterprise (DBE) Program - A program adopted by the County to utilize Disadvantaged Business Enterprises as defined in Title 49, Part 23, Code of Federal Regulations (49CFR23) entitled "Participation by Minority Business Enterprise in Department of Transportation Programs" in all aspect of Federally assisted construction contracts.

o. DBE Liaison Officer - Deputy Director of Engineering, DOT.

p. District Engineer - County Engineer, El Dorado County.

q. Engineer's Estimate - A cost estimate prepared by the Design Engineer and approved by the District Engineer.

r. Engineer's Report - A report prepared by the District Engineer as required by the applicable District Formation Act containing information regarding the public capital facilities and services proposed for the Special District.

s. Equivalent Dwelling Units (EDUs) - A method used to relate the fee costs of multi-family units and non-residential properties to single family units.

t. Facility - The term "Facility", if used by itself, shall be taken to mean "Acquisition Facility". Facility shall be eligible for acquisition at such time as they are substantially complete and available for public benefit.

u. Guidelines for Special District Acquisition Projects (Guidelines) - A framework developed by the County to facilitate the process of administering a District.

v. Plans - Final bid drawings prepared by the Design Engineer and its consultants and approved by the County for construction of the Acquisition Project.

w. Purchase Price - The amount to be paid by a District for the Facilities in accordance with the provisions of the AFDA.

x. Special District - A Community Facilities District (CFD) created under the provisions of the "Mello-Roos Community Facilities Act of 1982".

y. Specifications - Documents prepared by the Design Engineer or its consultants which describe in detail for construction contract purposes the material and workmanship required to complete the Acquisition project, including but not limited to, the Standard Specifications for Public Works Construction (APWA), the Uniform Building Code (UBC), applicable DOT Standard Plans and Caltrans specifications, and the contract Special Provisions prepared by the Design Engineer, which describe in detail for contract purposes, the materials and workmanship required to be performed on the Project.

z. Surety Bonds - Subdivision or construction bonds which provide a financial guarantee that the obligations required by a contract or agreement will be fulfilled in conformance with state law and County policy, rules and regulations and ordinances.

2.0 Pre-Advertisement Procedures

2.1 Developer shall submit project schedules to the District Engineer and District Engineer shall provide regular updating of schedules to DOT/Special Districts and DOT Engineering.

2.2 Design Engineer prepares bidding documents for Acquisition Project. As applicable, the developer or County obtains necessary R/W and negotiates all utility relocations/installations.

2.3 Design Engineer prepares and submits plans to appropriate DOT Divisions for approval. The plans shall indicate a reference to the special district(s) in which the facilities are included and a note indicating the general category of improvement eligible for Mello-Roos reimbursement. The reference to special district facilities on the plans is to assist County staff and other responsible parties with an understanding that some or all of the improvements shown on the plans may be eligible for Mello-Roos reimbursement of costs. However, the reference to special district facilities indicated on the plans is for general information only and does not constitute approval or disapproval of project eligibility for cost reimbursement. The actual Mello-Roos reimbursement eligibility is determined independent of plan notes and plan approval.

- 2.4 Developer pays DOT plan check and inspection fees (normal and special) in accordance with normal subdivision/permit process.
- 2.5 Developer provides suitable construction security. Construction security may be waived on acquisition projects subject to the following conditions:
 - a. The County has agreed to waive Construction Security in the AFDA or other applicable agreement directly related to the Special District, and,
 - b. The facilities for which the Construction Security is required are eligible for reimbursement from County Special District Funds, and,
 - c. The County is in receipt of the CFD improvement bond proceeds for those specific facilities, and,
 - d. The 10% retention of construction costs is excluded.
- 2.6 Design Engineer prepares bidding documents and submits to District Engineer for review and comment as appropriate. The bidding documents must be in conformance with ordinances, law, policies, rules and regulations applicable to the County including but not limited to the following provisions:
 - a. Compliance with all applicable Labor Codes for Public Works Contracts including Prevailing Wage Statement.
 - b. Contract will be publicly advertised.
 - c. Non-collusion affidavit
 - d. The Bid Documents must comply with County requirements for meeting DBE program goals. Goal assignment and DBE Specifications shall be approved by DOT Engineering (DBE Liaison Officer).
- 2.7 District Engineer reviews the Bidding Documents for the following requirements:
 - a. Scope of Work is uniquely described and unambiguous and is included within District Engineer's Report and the Project has been designated and approved by DOT/Special Districts as an Acquisition Project.
 - b. Engineers estimate is reasonable and consistent with District Engineers report and/or applicable AFDAs.
 - c. Bidding procedures consistent with public contract advertising and bid opening procedures and bid forms clearly describe each bid item and are formatted

substantially similar to the Engineer's Report Cost Breakdown.

d. Contract requires payment of prevailing wages.

e. Proposal includes a non-collusion affidavit.

f. DBE specifications and advertising requirements, if required, are sufficient to meet the intent of Section 2000 of the Public Contract Code and have been approved by the County DBE Liaison Officer.

g. The number of allotted working days specified in the contract documents are reasonable for the proposed work.

h. Liquidated damage clauses, if any, are consistent with County policy.

3.0 Advertisement and Bid Opening Procedures

3.1 After plans have been approved by appropriate DOT Division(s) and Bid Documents have been approved by the District Engineer, Developer may advertise project.

3.2 Developer shall advertise project in a newspaper of general circulation published in the County. Such notice shall be published for at least 10 consecutive times in a daily newspaper of general circulation published in the County or for at least two consecutive times in a weekly newspaper published in the County. Developer shall, in addition, advertise in consecutive edition(s) in either the "Daily Pacific Builder" or "The Green Sheet" (or other trade journals approved by DOT/Engineering Division for a period of not less than one week.

3.3 Developer shall conduct a bid opening in location open to the public. Sealed bids will be required to be submitted on or before the specified date and time and will be publicly opened and the bidder's name and total bid announced at the bid opening in the presence of any interested party.

3.4 Developer shall notify DOT/Construction Unit and the District Engineer a minimum of 10 days prior to the bid openings and provide the District Engineer a copy of the public advertisement(s) and all final bid documents. The addenda to the bid documents shall be included in the final bid documents.

3.5 District Engineer or his representative shall attend any pre-bid meetings(s) and the public bid opening for project.

4.0 Acquisition Project Award

4.1 Developer shall provide District Engineer a summary of all bids and a copy of the low bid proposal submitted for project and a recommendation for award. Included in the recommendation the developer shall provide the following information:

a. That there are no pending disputes over the bidding procedures.

b. That all bidders received the same set of bid documents and all of the addenda issued.

c. That all applicable County approvals for the work have been obtained.

d. That the bid proposal has not been conditioned in any way.

Developer shall retain the original of all bids received for a minimum of four years.

4.2 Under certain circumstances, construction securities are generally not required by the County. Design Engineer shall, however, incorporate language requiring bidders to be bondable in the bidding documents, and provide a deletable bid item for construction bonds. Developer shall provide a recommendation to the District Engineer (with the recommendation for contract award) indicating whether securities should or should not be required. County will concur or reject recommendation to require securities. Cost of securities will not be considered a reimbursable expense unless County concurs with Developer's recommendation to require bonds.

4.3 Within five working days of receipt of the bid material in Section 4.1, the District Engineer shall review the bid summary and a copy of the low bid and concur in the Developer recommendation, or advise the developer that additional review time will be required. The DBE Liaison Officer shall concur that DBE program goals have been met prior to award.

4.4 In the event the low bidder is not recommended, or the District Engineer cannot concur with the Developer recommendation, or the District Engineer is aware of any irregularities or possible disputes over the bidding procedure (including DBE compliance as applicable) the Developer or District Engineer shall notify the Director of the Department of Transportation. This notification shall be in writing and shall be submitted to DOT within five days after receipt of the bid material as required by Subsection 4.1. DOT will promptly review the bid documents and procedures in conformity

with laws, ordinances, policies, rules and regulations applicable to the County and advise the Developer within ten days of the County's decision relative to award of the contract.

- 4.5 No individual bids will be rejected by the developer without concurrence of the District Engineer. However, the Developer may at his discretion, reject all bids received for a project.
- 4.6 Prior to award of contract, Developer shall obtain written concurrence for award from the District Engineer.
- 4.7 Developer shall award contract within 60 days after bid opening with concurrence of the District Engineer and shall authorize contractor to proceed with the work within 60 days after award.
- 4.8 District Engineer shall provide the following items within 30 days after the Developer has authorized contractor to proceed:
 - a. Itemized summary of all bids received on the project.
 - b. Signed contracts for the project specifying the award date.
 - c. Notice to Proceed within 60 days of the award date.
 - d. A written statement that the Bid Documents and bidding procedure were reviewed and approved in accordance with these guidelines.
 - e. A written statement that the contract award amount is within the estimates included in the Engineers Report of the applicable Acquisition, Funding and Disclosure Agreement and does not exceed the overall funds available from the Special District. Should the Project bid exceed the aforementioned estimate or available funds the District Engineer shall specify that other funds (specify amount and source) are available for all/or portions of the work.

5.0 Construction

- 5.1 Developer or the Design Engineer shall schedule and conduct a preconstruction meeting prior to beginning work on the Project. The pre-construction meeting will be attended by the Developer, the Design and District Engineers, the Contractor, agencies issuing permits, affected utilities, and other interested parties. The District Engineer and DOT/Construction Unit shall receive written notification five days prior to the meeting setting a mutually agreeable time, place, and date.

- 5.2 District Engineer shall review the construction progress monthly and shall meet monthly with representatives to discuss project status. District Engineer shall prepare periodic district status report. The frequency of the status reports shall be determined by the Director of the Department of Transportation.
- 5.3 Contractor shall coordinate all inspections on Acquisition Projects in accordance with normal DOT/Construction Unit procedures.
- 5.4 Developer shall provide District Engineer with copies of all progress payments to the Contractor.
- 5.5 If the Developer desires to be reimbursed for any change order, the Developer shall, prior to undertaking such work, obtain the written acknowledgment of the DOT/Construction Unit Field Representative overseeing such work as to the need to perform the work in order to satisfactorily complete the project. The written acknowledgment shall be documented on the attached form, Schedule A, entitled "Potential Change of Work Acknowledgment (PCOWA) Mello Roos Community Facilities District (CFD) Project". The District Engineer shall subsequently determine if any of the adjustments shall be made to the Reimbursement Amount as a result of such change order. The District Engineer's approval shall be obtained on the attached form, Schedule B, entitled "Change of Work Eligibility and Value for Mello-Roos Reimbursement (CWEVR)" and/or supplemental correspondence by the District Engineer.
- 5.6 Contractor and all subcontractors shall pay prevailing wages for all work performed on the project. Developer shall provide certification to the District Engineer that all contractors have complied with the Labor Code including prevailing wage requirements. Copies of certified payrolls shall be provided to the District Engineer upon request.
- 5.7 Revisions to the plans shall be reviewed and approved by the District Engineer in accordance with the normal permit procedure.
- 5.8 For the purposes of these guidelines, the construction shall be considered complete at such time as the Facility is substantially complete and available for public benefit and when the Developer has obtained the following as applicable:
- a. Approval of DOT/Construction Unit if grading permit is required.
 - b. Approval of all facilities shown on the Plans or included in the Acquisition Projects by the affected

utility companies and/or other affected County Departments.

c. Approval of DOT/Construction Unit of all erosion control improvements required by the Plans and/or grading permit.

d. Approval by the County Surveyor of all monumentation.

e. Approval of DOT/Construction Unit of all street improvements, storm drains, street lighting, traffic signals, etc., shown on the plans.

5.9 Developer shall provide verification that applicable DBE requirements were met. Backup should include amount paid to DBE and analysis of comparing percentages versus actual percentages.

6.0 Reimbursement

6.1 Developer submits a request for reimbursement to the District Engineer after the completion of the Project or any portion thereof (as indicated in Section 5.8). The request shall follow the format provided in Schedule C, "Developer Reimbursement Request Format", and shall contain, but not be limited to, the following:

a. Final quantities and final costs on each contract item, certified by the registered design engineer, and the total of all construction costs for the Project accompanied by copies of the general contractors construction contract and any other supporting documentation necessary to justify reimbursement.

b. Approved contract change orders with final quantities and/or final costs.

c. Certification that the Contractor and all Subcontractors have complied with the labor code "public works" provisions, including prevailing wages on the Project.

d. Itemized breakdown of other reimbursable costs as delineated in the applicable Acquisition, Funding, and Disclosure Agreement.

e. Copies of invoices, vouchers, canceled checks, etc. to support all expenditures by the Developer to be reimbursed.

f. Copies of Notice of Completion (recorded).

g. Certification or proof of advertisement as required by sections 3.0 of DOT Guidelines.

h. Copies of Final Mechanics Lien Release for the facility.

i. Documentation that right-of-way has been transferred to the County, or at the discretion of the County offered to the County by an Irrevocable Offer of Dedication (IOD).

j. Copies of the recorded transfer of title to the property or copies of the recorded Irrevocable Offer of Dedication (IOD), as appropriate.

k. Submittal of written certification from other agencies or utilities involved in the reimbursement request, that the facilities were inspected and completed according to approved plans and specifications, and that any utilities or agency cost reimbursements are disclosed in the CFD reimbursement requests.

In addition, the Developer submits to District Engineer a finalized copy of Official Project Plans which incorporates all approved changes, and a copy of the recorded tract map(s).

- 6.2 District Engineer reviews the request for reimbursement and all supporting data in accordance with review procedures, as previously submitted and approved by the Auditor-Controller. The District Engineer shall be entitled to rely on the authenticity of all supporting data, documents, representations and certifications provided by the Developer and the respective Design Engineers without independent verification by the District Engineer. All funds reimbursable from other entities shall be itemized and estimated as part of the submittal.

If additional information is required during the review process to comply with Subsection 6.1, District Engineer requests in writing that the Developer supply the supplemental data. If Developer has not submitted all information requested, the District Engineer requests the additional backup.

- 6.3 District Engineer provides the following upon completion of Subsection 6.2:

a. Upon receipt of all backup information, District Engineer prepares the "draft" Acquisition Reports, within thirty(30) working days, based on the requirements outlined in Schedule D, "Standard Acquisition Report Format".

b. District Engineer prepares separate Acquisition Reports based on the documentation received from the Developer for each of the following:

1. Community Facilities District (CFD) roadway and drainage acquisition.
2. Non-roadway and non-drainage facility acquisition.
3. Formation and study cost reimbursement.

6.4 DOT, EID, and CSD (reviewing agencies) are also responsible for reviewing the Acquisition Report to ensure that:

- a. Work has been completed as defined in paragraph 5.8.
- b. Certification of compliance with the labor code "public works" provisions has been received.
- c. Approved Improvement Plans or Record Drawings have been received and are acceptable.
- d. Final quantities and costs have been reviewed and are acceptable.
- e. Equipment manuals (if applicable) have been received and are acceptable.
- f. Appropriate documentation has been provided (i.e., release of lien, warranty ...).
- g. District Engineer's recommendation for reimbursement is acceptable.

If there are questions or problems with the Acquisition Report, the reviewing agency contacts the District Engineer directly. Upon completion of review, the reviewing agency issues a letter indicating concurrence with the Acquisition Report and District Engineer's recommendation, and submits the final report to DOT/Special Districts.

6.5 DOT/Special Districts reviews the Acquisition Report to verify compliance with all agreements, and to ensure that copies of all applicable agreements are on file at the Auditor-Controller's offices.

If there are questions or problems with the Acquisition Report, or if additional backup data is required (i.e., copies of invoices or checks), DOT/Special Districts contacts the District Engineer directly. If there are questions regarding

scope or quality of completed work, DOT/Special Districts contacts the reviewing agency.

Upon completion of financial review, DOT/Special Districts submits the original Acquisition Report along with originals of supporting documentation and the engineering review concurrence, to the Auditor-Controller.

- 6.6 The Auditor-Controller reviews the submitted payment request and accompanying supporting documentation to ensure that fulfillment of all contractual obligations have been properly supported by the District Engineer and DOT/Special Districts.

Upon completion of review, Auditor-Controller issues warrant.

Revised November 26, 1991

SCHEDULE A
POTENTIAL CHANGE OF WORK ACKNOWLEDGEMENT
MELLO-ROOS COMMUNITY FACILITIES DISTRICT (CFD) PROJECT

CFD: _____	Project ID: _____	Project Description: _____
Owner: _____		
Contractor: _____		
Design Engineer: _____		

POTENTIAL CHANGE NUMBER _____	Date _____
PLAN REVISION REQUIRED: ☐ YES	☐ NO
WORK DESCRIPTION: _____	

POTENTIAL CHANGE OF WORK

1. Prepared by: _____	OWNER Representative/Date
2a. In my opinion the aforementioned work does ☐ does not ☐ qualify as a potential change in work.	
2b. DOT/Construction comments (required if representative does not concur with the potential change): _____	
2c. Acknowledged by: _____	
El Dorado DOT/Construction representative/Date	
3. Acknowledged by: _____	
CFD District Engineer/Date	
4. Received and Recorded by: _____	
OWNER Office Representative/Date	

The above signed DOT/Construction Representative and CFD District Engineer acknowledge that the potential change of work described above is required for this project.

The purpose of this acknowledgement is to allow for continued, timely and thorough completion of the work. Subsequent to this acknowledgement, the contract documents will be reviewed to determine if the above described work represents a change from the contract. If a change of work is required, then the reimbursement value for this change, if any, will be determined and submitted for approval to the District Engineer and the Director of DOT. This acknowledgement does not represent approval of design changes or approval of the value of the change as reimbursable under the Mello-Roos Program.

CHANGE OF WORK ELIGIBILITY AND VALUE
FOR MELLO-ROOS REIMBURSEMENT

CHANGE OF WORK NUMBERS	Date
(Copy of completed POTENTIAL CHANGE OF WORK ACKNOWLEDGEMENT forms attached)	
CHANGE OF WORK VALUE:\$	
CHANGE OF WORK ITEMS:	
Detailed Backup Attached	☐

ELIGIBILITY AND VALUE FOR MELLO-ROOS REIMBURSEMENT	
1. Prepared by:	2. Reviewed by:
_____ OWNER Representative/Date	_____ OWNER Office Representative/Date
3. Submitted by:	4. Recommended by:
_____ OWNER Representative/Date	_____ District Engineer/Date

Pg. 1 of 1

SCHEDULE C

EXAMPLE LETTER

DEVELOPER LETTERHEAD

Honest District Engineer
22 Twain
Big Town, California 99999

ATTENTION:

SUBJECT: CFD 8 _____, _____ Company _____
ROAD ROUGH GRADING AND STREET IMPROVEMENTS REIMBURSEMENT REQUEST

Dear _____:

As required by the County of El Dorado Guidelines for Special Districts Acquisition Projects and as authorized by the Acquisition Funding and Disclosure Agreement between the _____ Company and the County of El Dorado, dated _____, we are submitting this request for reimbursement of eligible project costs from County funds.

The work included under this reimbursement request includes the rough grading, storm drains and sewer, pavement, curbs and sidewalks, and traffic signals. All of the work involved was shown on the drawings, listed in Attachment 1, approved by County of El Dorado.

The total amount requested for reimbursement for the subject work is \$2,932,538.96. This reimbursement should be taken from County funds as follows:

Eligible for Reimbursement from

Contract	TIMF	CFD	Total
Public Bid Items	\$1,800,538.46	\$532,000.50	\$2,332,538.96
Other Reimbursable Costs	<u>500,000.00</u>	<u>100,000.00</u>	<u>600,000.00</u>
Total	\$2,300,538.46	\$632,000.50	\$2,932,538.96

The breakdown of original contract amounts, change orders, and eligible and not-eligible for reimbursement costs are provided on Attachment 2. Detailed cost breakdowns, actual installed quantities and engineering back-up, as well as other required items, are provided as described in the Attachments. In addition, for TIMF Projects, a distribution of final project costs broken down by TIMF, CFD, and Developer is provided in the Attachments.

_____ Company certifies to Honest District Engineer and the County of El Dorado, that with reference to the subject work of this reimbursement request, that prevailing wages have been paid by all contractors

and subcontractors, and all other labor code requirements for public works have been complied with.

To the best of the _____ Company's knowledge, no mechanics liens exist against the property that the work was performed on and whose title will be (or has) transferred to the County of El Dorado. A Title Insurance Policy is attached in the amount of _____ for the property involved, herein.

_____ Company warrants to the County of El Dorado that it will repair, at its own expense, any faulty or damaged work originally performed as part of this project. This warranty expires _____.

In accordance with Section _____ of the above mentioned Acquisition Funding and Disclosure Agreement, _____ Company has provided written notification to each and every purchaser of residential homes or commercial property owner which a Special Tax will be levied as a result of work performed under this project.

Please see attachments for pertinent correspondence.

We hope that we have satisfied all of the requirements for receiving reimbursement for our costs associated with this work. We anticipate hearing from you no later than 30 days after you receive this package.

Please contact _____ at _____ if you have any questions.

Sincerely yours,

Best Developer in Town
_____ Company

Schedule C ATTACHMENTS

CFD # _____, _____ Company
Reimbursement Request

<u>Attachments</u>	<u>Description</u>
1.	Project Drawing List
2.	Contract Breakdown.
3.	Other Reimbursable Costs Summary.
4. (—sheets)	Project Contract(s) (fully executed).
5. (—sheets)	Potential Change of Work Acknowledgements (fully completed).
6. (—sheets)	Change of Work Eligibility and Value forms (fully completed).
7.	Completed Project Approval letters from various agencies.
8. (—sheets)	Contract Bid Line Items with original and actual installed quantities with original and final costs.
9.	Developer's certification that contractor paid prevailing wages and complied with applicable provisions of the labor code.
10.	Final Cost Breakdown by Road Segments.
11. (—sheets)	Engineering Back-Up to Final Quantities and Costs.
12.	Approved Change Orders (Guidelines Sec. 6—).
13.	Certification that all approved changes are recorded on official plans.
14.	Copy of recorded tract map.
15.	Invoice and Payment Summary.
16. (—sheets)	Copies of Paid Invoices.
17.	Canceled Checks. (If requested by the County)
18.	Recorded Notice of Completion.
19.	Approved Improvement Plans or Record Drawings (under separate cover).
20.	Mechanics Lien Releases.

21.(—sheets)

Title Transfer Documents or Irrevocable offer of
Dedication (IGB) as appropriate.

22.(—sheets)

Title Insurance Policy.

SCHEDULE D

STANDARD ACQUISITION REPORT FORMAT

I. District Engineer's Cover Letter

This section will provide an executive summary identifying the facility being acquired, the CFD, the amount of reimbursement requested by the Developer, and the District Engineer's recommendation for reimbursement.

II. Introduction

This section will provide a history of the project including identification of landowners, consultants and contractors, key dates, a project location map or reference thereto, and appropriate definitions.

III. Certification of Compliance with the Program

This section will identify and reference each applicable agreement and any amendments, as well as a certified county minute order or resolution approving each. A detailed analysis will be provided to determine what each agreement requires, and whether or not those requirements have been met. (Exhibit D - Attachment 1: Example).

IV. Developer's Request for Reimbursement

This section will contain the Developer's letter requesting reimbursement. The request letter will provide a breakdown by line items corresponding to those line items identified in the Acquisition Agreement as being reimbursable.

V. Analysis of Facility Cost

This section will provide a detailed analysis by the District Engineer of the backup information as provided by the Developer to determine the actual cost of the acquisition. The District Engineer will review all design and construction contracts, change orders, checks, invoices, the CFD Engineer's Report and applicable agreements in accordance with previously submitted and approved review procedures to determine the actual cost of the work. The District Engineer shall certify that review in accordance of his procedures has been completed. A line item breakdown of allowable or adjusted cost will be provided in a format corresponding to both the Developer's request letter and the Acquisition Agreement. In addition, the District Engineer will review any deficiencies such as major changes or claims to determine the affect on the actual value of the acquisition. In accordance with the Acquisition Agreement, the District Engineer will recommend that the purchase price (reimbursement) be the lesser of the actual cost or actual value.

VI. Overall District Financial Report

This section will include a financial status report for the CFD.

VII. Exhibits

This section will contain any exhibits referenced in the body of the report. Some typical exhibits include:

1. Project Location map
2. District Engineer's Standard Procedures
3. Applicable Agreement and Amendments with Certified County Minute Order or Resolution. (This should be on file at the County, however, special circumstances may require them to be submitted with report.)
4. Certification that Invoices and Checks have been Received and Reviewed, (in accordance with previously submitted and approved District Engineer Procedures).
5. Notice of Completion
6. Other Pertinent Correspondence.

Schedule D - Attachment I
ACQUISITION REPORT REQUIREMENTS FROM AFDA

The following is a summary of quotes from the AFDA regarding the Developer's obligations in order to comply with the program requirements for reimbursement. A "*" is used to indicate those requirements that would not be met for completed Facilities built prior to formation of the CFD.

I. AFDA Section 5.a:

"...cause plans and specifications and construction contract documents to be prepared as to all Facilities which the County is requested to acquire from the Company".

"...obtain approval by all appropriate County departments of the plans and specifications and construction contract documents..."

REQUIRED:

1. DOT/Construction approved plans
2. District Engineer's review of bid documents*
3. Record of Public Bid Opening*
4. District Engineer's concurrence with award of contract*

II. AFDA Section 5.b:

"...cause such Facilities to be constructed by a contractor or contractors duly licensed by the State of California."

REQUIRED:

1. Certification from Developer
2. Contractor's license number

"(All Facilities shall be constructed...in full compliance with the then current County standards applicable to public improvements, including the appropriate form of notice inviting construction bids, public bidding requirements, and the payment of prevailing wages.)"

REQUIRED:

1. Certification from Developer
2. Proof of advertisement for bids*
3. List of all bids received for the contract and a copy of bid summary
4. Copy of pre-construction meeting minutes*
5. Copy of payroll for one pay period*

III. AFDA Section 5.c:

"...Facilities are completed substantially in accordance with the approved plans and specifications ... and pursuant to the requirements of Section 53314.9 of the Act..."

REQUIRED: Certification from Developer

"...provide as-built drawings or other similar plans and specifications...in a form reasonable acceptable to the CAO."

REQUIRED: "as-built" drawings

"All warranties, guarantee or other evidence of contingent obligations of third persons with respect to such Facilities shall be delivered to the CAO prior to acceptance..."

REQUIRED: Certification from Developer

IV. AFDA Section 5.d:

"Upon completion...notify the County in writing."

REQUIRED:

1. Copy of request to County for "Approval for Reimbursement"*
2. Copy of letter to District Engineer stating that the project is complete* (not required if Item #1 p