

SUBDIVISION AGREEMENT
(Gov. Code, §§ 66462 and 66463)

Subdivision: **MS15-0008**

Effective Date: **Date approved by BOS**

Subdivider: **Gloria Knoll LLC**

Completion Period: **2-years**

THESE SIGNATURES ATTEST TO THE PARTIES' AGREEMENT HERETO:

CONTRA COSTA COUNTY

Brian M. Balbas, Public Works Director

By: _____

RECOMMENDED FOR APPROVAL:

By: _____

Engineering Services Division

FORM APPROVED: Silvano B. Marchesi, County Counsel

SUBDIVIDER Gloria Knoll LLC



Print Name **Richard Lloyd Carone**
Print Title **Manager**

Print Name: _____

Print Title: _____

[Note: If Subdivider is a corporation, two officers must sign. The first must be the chairman of the board, president or any vice president; the second must be the secretary, assistant secretary, chief financial officer or any assistant treasurer. (Corp. Code, § 313; Civ. Code, § 1190.) If Subdivider is a limited liability company, Subdivider shall sign in the manner required of corporations, or by two managers, or by one manager, pursuant to the articles of organization (see Corp. Code, §§17151, 17154, 17157.) If Subdivider is a partnership, any authorized partner may sign. Signatures by Subdivider must be notarized.]

1. **PARTIES & DATE.** Effective on the above date, the County of Contra Costa, California (hereinafter "County"), and the above-mentioned Subdivider mutually promise and agree as follows concerning this Subdivision:

2. **IMPROVEMENTS.** Subdivider agrees to install certain road improvements (both public and private), drainage improvements, signs, street lights, fire hydrants, landscaping and such other improvements (including appurtenant equipment) as required in the improvement plans for this Subdivision as reviewed and on file with the Contra Costa County Public Works Department, as required by the Conditions of Approval for this Subdivision, and in conformance with the Contra Costa County Ordinance Code, including future amendments thereto (hereinafter "Ordinance Code").

Subdivider shall complete said improvements (hereinafter "Work") within the above completion period from date hereof, as required by the California Subdivision Map Act (Gov. Code, §§ 66410 et. seq.) in a good workmanlike manner, in accordance with accepted construction practices and in a manner equal or superior to the requirements of the Ordinance Code and rulings made thereunder; and where there is a conflict among the improvement plans, the Conditions of Approval and the Ordinance Code, the stricter requirements shall govern.

3. **IMPROVEMENTS SECURITY.** Upon executing this Agreement, the Subdivider shall, pursuant to Gov. Code § 66499 and the County Ordinance Code, provide as security to the County:

A. **For Performance and Guarantee:** \$ \$5,410.00 cash, plus additional security, in the amount of \$ 535,590.00, which together total one hundred percent (100%) of the estimated cost of the Work. Such additional security is presented in the form of:

_____ Cash, certified check or cashier's check.
☒ _____ Acceptable corporate surety bond.
_____ Acceptable irrevocable letter of credit.

With this security, Subdivider guarantees performance under this Agreement and maintenance of the Work for one year after its completion and acceptance against any defective workmanship or materials or any unsatisfactory performance.

B. **For Payment:** Security in the amount: \$ 270,500.00, which is fifty percent (50%) of the estimated cost of the Work. Such security is presented in the form of:

_____ Cash, certified check, or cashier's check
☒ _____ Acceptable corporate surety bond.
_____ Acceptable irrevocable letter of credit.

With this security, Subdivider guarantees payment to the contractor, to its subcontractors and to persons renting equipment or furnishing labor or materials to them or to the Subdivider.

Upon acceptance of the Work as complete by the Board of Supervisors and upon request of Subdivider, the amounts held as security may be reduced in accordance with Sections 94-4.406 and 94-4.408 of the Ordinance Code.

4. **GUARANTEE AND WARRANTY OF WORK.** Subdivider guarantees that the Work shall be free from defects in material or workmanship and shall perform satisfactorily for a period of one (1) year from and after the Board of Supervisors accepts the Work as complete in accordance with Article 96-4.6, "Acceptance," of the Ordinance Code. Subdivider agrees to correct, repair, or replace, at Subdivider's expense, any defects in said Work.

The guarantee period does not apply to road improvements for private roads that are not to be accepted into the County road system.

5. **PLANT ESTABLISHMENT WORK.** Subdivider agrees to perform plant establishment work for landscaping installed under this Agreement. Said plant establishment work shall consist of adequately watering plants, replacing unsuitable plants, doing weed, rodent and other pest control and other work determined by the Public Works Department to be necessary to ensure establishment of plants. Said plant establishment work shall be performed for a period of one (1) year from and after the Board of Supervisors accepts the Work as complete.

6. **IMPROVEMENT PLAN WARRANTY.** Subdivider warrants the improvement plans for the Work are adequate to accomplish the Work as promised in Section 2 and as required by the Conditions of Approval for the Subdivision. If, at any time before the Board of Supervisors accepts the Work as complete or during the one year guarantee period, said improvement plans prove to be inadequate in any respect, Subdivider shall make whatever changes are necessary to accomplish the Work as promised.

7. **NO WAIVER BY COUNTY.** Inspection of the Work and/or materials, or approval of the Work and/or materials or statement by any officer, agent or employee of the County indicating the Work or any part thereof complies with the requirements of this Agreement, or acceptance of the whole or any part of said Work and/or materials, or payments therefor, or any combination or all of these acts, shall not relieve the Subdivider of its obligation to fulfill this Agreement as prescribed; nor shall the County be thereby stopped from bringing any action for damages arising from the failure to comply with any of the terms and conditions hereof.

8. **INDEMNITY.** Subdivider shall defend, hold harmless and indemnify the indemnitees from the liabilities as defined in this section:

A. The indemnitees benefitted and protected by this promise are the County and its special districts, elective and appointive boards, commissions, officers, agents and employees.

B. The liabilities protected against are any liability or claim for damage of any kind allegedly suffered, incurred or threatened because of actions defined below, and including personal injury, death, property damage, inverse condemnation, or any combination of these, and regardless of whether or not such liability, claim or damage was unforeseeable at any time before County reviewed said improvement plans or accepted the Work as complete, and including the defense of any suit(s), action(s), or other proceeding(s) concerning said liabilities and claims.

C. The actions causing liability are any act or omission (negligent or non-negligent) in connection with the matters covered by this Agreement and attributable to Subdivider, contractor, subcontractor, or any officer, agent, or employee of one or more of them.

D. Non-Conditions. The promise and agreement in this section are not conditioned or dependent on whether or not any indemnitee has prepared, supplied, or approved any plan(s) or specification(s) in connection with this Work or Subdivision, or has insurance or other indemnification covering any of these matters, or that the alleged damage resulted partly from any negligent or willful misconduct of any indemnitee.

9. **COSTS.** Subdivider shall pay, when due, all the costs of the Work, including but not limited to the costs of relocations of existing utilities required thereby; inspections; material checks and tests; and other costs incurred by County staff arising from or related to the Work, and prior to acceptance of the Work as complete or expiration of any applicable warranty periods, whichever is later.

10. **SURVEYS.** Subdivider shall set and establish survey monuments in accordance with the filed map and to the satisfaction of the County Road Commissioner-Surveyor before acceptance of the Work as complete by the Board of Supervisors.

11. **NON-PERFORMANCE AND COSTS.** If Subdivider fails to complete the Work within the time specified in this Agreement, and subsequent extensions, or fails to maintain the Work, County may proceed to complete and/or maintain the Work by contract or otherwise and Subdivider agrees to pay all costs and charges incurred by County (including, but not limited to, engineering, inspection, surveys, contract, overhead, etc.) immediately upon demand.

Once action is taken by County to complete or maintain the Work, Subdivider agrees to pay all costs incurred by County, even if Subdivider subsequently completes the Work.

Should County sue to compel performance under this Agreement or to recover costs incurred in completing or maintaining the Work, Subdivider agrees to pay all attorney's fees, staff costs and all other expenses of litigation incurred by County in connection therewith, even if Subdivider subsequently proceeds to complete the Work.

12. **INCORPORATION/ANNEXATION.** If, before the Board of Supervisors accepts the Work as complete, the Subdivision is included in territory incorporated as a city or is annexed to an existing city, except as provided in this paragraph, County's rights under this Agreement and/or any deposit, bond, or letter of credit securing said rights shall be transferred to the new or annexing city. Such city shall have all the rights of a third party beneficiary against Subdivider, who shall fulfill all the terms of this Agreement as though Subdivider had contracted with the city originally. The provisions of paragraph 8 (Indemnity) shall continue to apply in favor of the indemnitees listed in paragraph 8.A. upon any such incorporation or annexation.

13. **RECORD MAP.** In consideration hereof, County shall allow Subdivider to file and record the final map or parcel map for said Subdivision.

14. **RIGHT OF ENTRY.** Subdivider hereby consents to entry onto the Subdivision property, and onto any other property over which Subdivider has land rights and upon which any portion of the Work is to be installed pursuant to the improvement plans, by County and its forces, including contractors, for the purpose of inspection, and, in the event of non-performance of this Agreement by Subdivider, completion and/or maintenance of the Work.

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

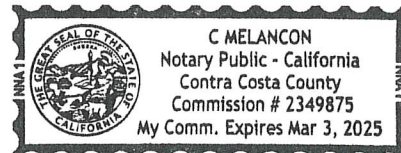
County of Contra Costa

On March 29th, 2021, before me C. Melancon, a Notary Public, personally appeared Richard Lloyd Carone, 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: C. Melancon



Subdivision: MS15-0008
Bond No.: 1121546
Premium: \$7,712.00 annually renewable
Any claim under this Bond should be sent
to the following address: c/o Somp International
Lexon Insurance Company
10002 Shelbyville Rd, Suite 100
Louisville, KY 40223

**IMPROVEMENT SECURITY BOND
FOR SUBDIVISION AGREEMENT**
(Performance, Guarantee and Payment)
(Gov. Code, §§ 66499-66499.10)

1. **RECITAL OF SUBDIVISION AGREEMENT.** The Principal has executed an agreement with the County of Contra Costa (hereinafter "County") to install and pay for street, drainage and other improvements in Subdivision 15-0008 as specified in the Subdivision Agreement, and to complete said work within the time specified for completion in the Subdivision Agreement, all in accordance with State and local laws and rulings thereunder in order to satisfy conditions for filing of the Final Map or Parcel Map for said subdivision. Under the terms of the Subdivision Agreement, Principal is required to furnish a bond to secure the faithful performance of the Subdivision Agreement and payment to laborers and materialmen.

2. **OBLIGATION.** Gloria Knoll LLC, as Principal,
and Lexon Insurance Company, a corporation organized and existing
under the laws of the State of Texas and authorized to transact surety business in California, as Surety, hereby jointly and
severally bind ourselves, our heirs, executors, administrators, successors and assigns to the County of Contra Costa, California to pay it:

(A. Performance and Guarantee) FIVE HUNDRED THIRTY FIVE THOUSAND FIVE HUNDRED NINETY AND 00/100 Dollars
(\$ 535,590.00) for itself or any city assignee under the above Subdivision Agreement.

(B. Payment) TWO HUNDRED SEVENTY THOUSAND FIVE HUNDRED AND 00/100 Dollars
(\$ 270,500.00) to secure the claims to which reference is made in Title XV (commencing with Section 3082) of Part 4 of Division III of the Civil Code of the
State of California.

3. **CONDITION.** This obligation is subject to the following condition.

A. The condition of this obligation as to Section 2.(A) above is such that if the above bounded Principal, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the County of Contra Costa (or city assignee), its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the County of Contra Costa (or city assignee) in successfully enforcing such obligation, and to be taxed as costs and included in any judgment rendered.

B. The condition of this obligation, as to Section 2.(B) above, is such that said Principal and the undersigned as corporate surety are held firmly bound unto the County of Contra Costa and all contractors, subcontractors, laborers, materialmen and other persons employed in the performance of the aforesaid Subdivision Agreement and referred to in the aforesaid Civil Code for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to this work or labor, and that the Surety will pay the same in an amount not exceeding the amount hereinabove set forth, and also in case suit is brought upon this bond, will pay, in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the County of Contra Costa (or city assignee) in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies, and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

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

C. No change, extension of time, alteration, or addition to the terms of said Subdivision Agreement or the work to be performed thereunder or any plan or specifications of said work, agreed to by the Principal and the County of Contra Costa (or city assignee) shall relieve any Surety from liability on this bond; and consent is hereby given to make such change, extension of time, alteration or addition without further notice to or consent by Surety; and Surety hereby waives the provisions of Civil Code Section 2819 and holds itself bound without regard to and independently of any action against the Principal whenever taken.

SIGNED AND SEALED on March 26, 20 21.

Principal: Gloria Knoll LLC
Address: 5009 Forni Drive, Suite A
Concord, CA Zip: 94520

Surety: Lexon Insurance Company
Address: 10002 Shelbyville Rd, Suite 100
Louisville, KY Zip: 40223

By: [Signature]
Print Name: RICHARD LLOYD CARONE
Title: C.E.O. / MANAGER

By: [Signature]
Print Name: Marissa Robinson
Title: Attorney-in-Fact

[Note: All signatures must be acknowledged. For corporations, two officers must sign. The first signature must be that of the chairman of the board, president, or vice-president; the second signature must be that of the secretary, assistant secretary, chief financial officer, or assistant treasurer. (Civ. Code, § 1190 and Corps. Code, § 313.)]

Form Approved by County Counsel
(Rev. 1/06)

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 Sacramento)

On March 26, 2021 before me, Mary Ellen Collins, Notary Public
(insert name and title of the officer)

personally appeared Marissa Robinson,
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  (Seal)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

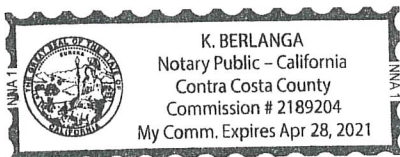
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
 County of Contra Costa)
 On 3/29/2021 before me, K. BERLANGA, NOTARY PUBLIC,
 Date Here Insert Name and Title of the Officer
 personally appeared RICHARD LLOYD CARONE
 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 [Signature]
 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: _____



KNOW ALL BY THESE PRESENTS, that **Endurance Assurance Corporation**, a Delaware corporation, **Endurance American Insurance Company**, a Delaware corporation, **Lexon Insurance Company**, a Texas corporation, and/or **Bond Safeguard Insurance Company**, a South Dakota corporation, each, a "Company" and collectively, "**Sompo International**," do hereby constitute and appoint: **John Hopkins, Renee Ramsey, Stephanie Agapoff, Elizabeth Collodi, Sara Walliser, Marissa Robinson, Deanna Quintero, K. Corey Ward, Samantha Watkins, Tony Clark, Bill Rapp, Matthew Foster, Jason March, Mary Collins** as true and lawful Attorney(s)-In-Fact to make, execute, seal, and deliver for, and on its behalf as surety or co-surety; bonds and undertakings given for any and all purposes, also to execute and deliver on its behalf as aforesaid renewals, extensions, agreements, waivers, consents or stipulations relating to such bonds or undertakings provided, however, that no single bond or undertaking so made, executed and delivered shall obligate the Company for any portion of the penal sum thereof in excess of the sum of **ONE HUNDRED MILLION Dollars (\$100,000,000.00)**.

Such bonds and undertakings for said purposes, when duly executed by said attorney(s)-in-fact, shall be binding upon the Company as fully and to the same extent as if signed by the President of the Company under its corporate seal attested by its Corporate Secretary.

This appointment is made under and by authority of certain resolutions adopted by the sole shareholder of each Company by unanimous written consent effective the 15th day of June, 2019, a copy of which appears below under the heading entitled "Certificate".

This Power of Attorney is signed and sealed by facsimile under and by authority of the following resolution adopted by the sole shareholder of each Company by unanimous written consent effective the 15th day of June, 2019 and said resolution has not since been revoked, amended or repealed:

RESOLVED, that the signature of an individual named above and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signature or seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, each Company has caused this instrument to be signed by the following officers, and its corporate seal to be affixed this 15th day of June, 2019.

Endurance Assurance Corporation

By: *Richard M Appel*
Richard Appel; SVP & Senior Counsel



Endurance American Insurance Company

By: *Richard M Appel*
Richard Appel; SVP & Senior Counsel



Lexon Insurance Company

By: *Richard M Appel*
Richard Appel; SVP & Senior Counsel



Bond Safeguard Insurance Company

By: *Richard M Appel*
Richard Appel; SVP & Senior Counsel



ACKNOWLEDGEMENT

On this 15th day of June, 2019, before me, personally came the above signatories known to me, who being duly sworn, did depose and say that he/she is an officer of each of the Companies; and that he executed said instrument on behalf of each Company by authority of his office under the by-laws of each Company.

By: *Amy Taylor*

Amy Taylor, Notary Public - My Commission Expires 5/9/23



CERTIFICATE

I, the undersigned Officer of each Company, DO HEREBY CERTIFY that:

1. That the original power of attorney of which the foregoing is a copy was duly executed on behalf of each Company and has not since been revoked, amended or modified; that the undersigned has compared the foregoing copy thereof with the original power of attorney, and that the same is a true and correct copy of the original power of attorney and of the whole thereof;
2. The following are resolutions which were adopted by the sole shareholder of each Company by unanimous written consent effective June 15, 2019 and said resolutions have not since been revoked, amended or modified:

"RESOLVED, that each of the individuals named below is authorized to make, execute, seal and deliver for and on behalf of the Company any and all bonds, undertakings or obligations in surety or co-surety with others: **RICHARD M. APPEL, BRIAN J. BEGGS, CHRISTOPHER DONELAN, SHARON L. SIMS, CHRISTOPHER L. SPARRO, MARIANNE L. WILBERT**

; and be it further

RESOLVED, that each of the individuals named above is authorized to appoint attorneys-in-fact for the purpose of making, executing, sealing and delivering bonds, undertakings or obligations in surety or co-surety for and on behalf of the Company."

3. The undersigned further certifies that the above resolutions are true and correct copies of the resolutions as so recorded and of the whole thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal this 26th day of March, 2021.

By: *Daniel S. Lurie*

Daniel S. Lurie, Secretary

NOTICE: U. S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL (OFAC)

No coverage is provided by this Notice nor can it be construed to replace any provisions of any surety bond or other surety coverage provided. This Notice provides information concerning possible impact on your surety coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous foreign agents, front organizations, terrorists, terrorist organizations, and narcotics traffickers as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's website - <https://www.treasury.gov/resource-center/sanctions/SDN-List>.

In accordance with OFAC regulations, if it is determined that you or any other person or entity claiming the benefits of any coverage has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, any coverage will be considered a blocked or frozen contract and all provisions of any coverage provided are immediately subject to OFAC. When a surety bond or other form of surety coverage is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments may also apply.

Any reproductions are void.

Surety Claims Submission: LexonClaimAdministration@sompo-intl.com

Telephone: 615-553-9500 Mailing Address: Sompo International; 12890 Lebanon Road; Mount Juliet, TN 37122-2870