



## SUISUN-SOLANO WATER AUTHORITY

### BOARD OF DIRECTORS

Alma Hernandez, Vice President  
Jane Day  
Wanda Williams  
Mike Hudson

### BOARD OF DIRECTORS

John D. Kluge, President  
Michael J. Barrett  
Derrick Lum  
Pete Sanchez  
Charles A. Herich

### BOARD MEETING

Suisun City Hall Council Chambers  
701 Civic Center Boulevard  
Suisun City, CA

Monday, September 12, 2022  
6:00 p.m.

This meeting is being held at the Suisun City Hall Council Chambers, 701 Civic Center Boulevard, Suisun City, CA 94585. **The public may attend the meeting in-person at Suisun City Hall OR via teleconference through the Zoom link below**, as permitted by Government Code section 54953(e). Any person may access and comment during the meeting by doing the following:

- **Public Access** – The meeting will be hosted on Zoom, attendees can access via computer or phone.
  - Meeting ID: 832 5969 9508
  - *Join Zoom Meeting:* <https://us02web.zoom.us/j/83259699508>
  - *Call-in via phone* – call 1-669-900-9128 and enter meeting ID
  
- **Public Comment** – opportunity for public comment is offered written and live during the meeting.
  - **Written** – written comments can be submitted via email to [SSWAcomments@sidwater.org](mailto:SSWAcomments@sidwater.org) or via U.S. mail to Suisun—Solano Water Authority, Attn: Gerardo Santana, 810 Vaca Valley Parkway, Ste 201 – Vacaville, CA 95688. Please put the agenda item number, if applicable, in the subject line. Comments received prior to the introduction of the agenda item will be distributed to the Board, made available for public review, and made part of the record.
  - **Oral via Zoom** – comments may be given in real time during the designated time for public comment by unmuting or using the "Raise Hand" function. Please email [SSWAcomments@sidwater.org](mailto:SSWAcomments@sidwater.org) prior to the introduction of the agenda item, preferably before the start of the meeting, if you need additional assistance with providing a public comment at the meeting.
  - **Oral in person** – comments may be given in real time during the designated time for public comment by approaching the podium for either public comment on an agenda item or general public comments. Staff will indicate when it is your turn to speak.

## AGENDA

### **1. Preliminary**

1.1. Call Meeting to Order

1.2. Roll Call

1.3. Approval of Agenda

1.4. Pledge of Allegiance

1.5. Conflict of Interest Notification *(Any agenda items that might be a conflict of interest to any Board members should be identified at this time by the Board member)*

### **2. Presentations**

None.

### **3. Public Comment (Non-Agenda Items)**

### **4. Informational Items**

4.1. Capital Improvement Project Status Report. **(Page 3)**

### **5. Consent Calendar**

5.1. Approval of the Minutes of the August 8, 2022, Board Meeting. **(Page 6)**

### **6. Scheduled Items**

6.1. Consider approval of Resolution No. 22-13 Authorizing the General Manager to Execute the Construction Reimbursement Agreement with the Developer of the Meridian West Development for the Reconstruction of the Pipelines in the Adjacent Offsite Streets and Further Authorize a Budget Amendment for the Project **(Page 10)**

### **7. Board Comments**

### **8. Staff Comments**

### **9. Adjourn**

**SUISUN-SOLANO WATER AUTHORITY  
BOARD MEETING**

**MEETING DATE: September 12, 2022**

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**AGENDA ITEM 4.1**

**Capital Improvement Project Status Report**

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**EXECUTIVE SUMMARY:**

The current status of the capital projects approved by the Board for FY 2022-23 are listed below. Other projects and issues affecting the Capital Improvement Program are also listed.

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**STAFF REPORT:**

Updates to the project list and status of projects are shown in **bold text**.

**A. Replacement Projects**

These projects are funded from the Replacement Reserve Fund.

*Cement Hill Water Treatment Plant (CHWTP) Projects*

1. CHWTP New Entrance Project: Plans have been finalized and coordination with Fairfield is taking place. Civil and Electrical plans for the project are with Fairfield's contractor for preliminary costing. A Joint Agreement for construction of this project by the City of Fairfield's selected contractor for the Manuel Campos Parkway with repayment by SSWA is anticipated to be brought to the Board in 2022 when information has been brought forward from the City and its developer. **We expect to receive construction costs by middle of September 2022.**
2. Physical Security System Integration: The previously approved budget of \$80,000 was prepared to include work by outside consultants, installation of a new AT&T fiber optic communication line, purchase of a router, and staff time. The AT&T fiber optic line has been installed.
3. Filter Meter Replacement: Staff has been authorized to move forward with purchasing the 10 meters for the WTP's pressure filters. Plant operations staff have received the 5 meters serving one of the two plants and will install and program them prior to ordering the remaining meters, so that one plant remains in service with functioning meters at all times.
4. Raw Water Check Valve Replacement: **Under authorized direction, staff is replacing the existing, leaky check valves in the six (6) raw water pumps. Three (3) of the six (6) existing check valves have already been replaced with new check valves by staff. Staff is coordinating the installation of the three (3) remaining check valves which have been purchased and received.**

5. **VFD Controller Replacement**: Staff received direction to replace the three (3) variable frequency drive (VFD) controllers for the treated water pumps at the CHWTP. In addition, the approved work includes adding surge protection devices between the utility power source and sensitive control equipment, such as the treated water pumps, to protect these devices from faulting. The three (3) VFD controllers have been purchased and installed. Staff is gathering more information from its electrical consultant to proceed with the surge protection work.

#### *Combined Distribution Facility Projects*

#### *Distribution System Projects*

6. **Sectionalizing Valve Replacement Project**: Some valves needing replacement have been identified and scheduling their replacement is in progress.
7. Meridian West (aka Crystal Middle School site) **Offsite Pipeline Replacement Project**: Design Agreement should be executed soon. Staff requested an exemption for water/sewer separation requirements in one street where it is impossible to meet the minimum requirements. However, the new alignment has more separation than the existing water main. The Division of Drinking Water granted SSWA an exemption from the State water main separation requirements. **Through the design process, there is another water line that requires an exemption. Staff is processing that request.** Staff is reviewing improvement plans and will provide comments on said plans. Upon finalizing plans and executing agreements, construction can proceed.

## **B. 2019 Bond Fund Projects**

These projects are funded from the 2019 Bond Fund.

#### *Cement Hill Facility Projects*

8. **Chemical System Replacement**: This project is in progress. Submittals for material and shop drawing approvals are being submitted by the contractor for review. Work on the new polymer facility is largely complete. The polymer tanks, eight (8) polymer pumps, skids and tubing to the pumps has been installed. Demolition of the old polymer tank facility is complete. The concrete for the new sodium hypochlorite containment structure has been poured, waterproofed, and backfilled. Utility trench piping was labeled, poured, and backfilled. Installation of the sodium hypochlorite tanks and metal building structure, including painting of the columns and beams in the structure, is complete. Construction of the new block building to house the new sodium hypochlorite pumps is complete. Sidewalk around new building is currently being installed. **The new chemical feed pumps have been set and start-up for the sodium hypochlorite pumping plant is scheduled for the week of October 11<sup>th</sup>.** This project is anticipated to be substantially complete by late October with final completion in mid-November.
9. **Control System Reprogramming**: This project will start soon once the new equipment at the Cement Hill Tanks and New Cement Hill Pipeline has been integrated into the plant control system. A site visit has been completed by Telstar to initiate this work.

## C. New Capacity Fund Projects

These projects are funded from the Capacity Fund.

10. Walters Road Pipeline: The portion to construct under Highway 12 is on hold.
11. Water Master Plan Update: Staff is combining the Water Master Plan update with the Asset Management Plan. A draft RFP is currently in progress and will be brought to the Board for approval in **October**.

## D. Other Projects

The following items include potential and pending capital projects, and Authority non-capital work (administrative, financial, operations and maintenance) affecting capital projects and planning.

12. Corp Yard Tank Replacement/Railroad Avenue Facility: This facility is planned to be decommissioned. The pumps have failed and staff is proposing not to replace them. In addition, the tank's lining has deteriorated and needs to be replaced. The tank has only been used in the recent past when emergency storage was necessary (tank filled, then immediately emptied after the short term need was gone).
13. Suisun and Hwy 12 Logistics Water Supply Assessment (WSA): **The consultant (KSN) is underway on this project. Working towards an October approval. Worst case is November Board Meeting for approval.**

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### RECOMMENDATION/REQUEST:

None; this is provided for the Board's information.

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### ATTACHMENTS:

None.

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### STAFF RESPONSIBLE FOR REPORT:



Paul Fuchslin, SID Director of Engineering

Date: 9/6/2022

**SUISUN-SOLANO WATER AUTHORITY  
BOARD MEETING  
MINUTES**

**Monday, August 8, 2022  
6:00 p.m.**

This meeting is compliant with local and state orders, and the Governor's proclaimed state of emergency, due to the COVID-19 virus pandemic, on March 4, 2020. The proclamation remains active and applies statewide. The Board met pursuant to Section 54953(e)(1)(B) and 54953(e)(1)(A). The Board is complying with other public access and participation obligations, as required and to ensure that any member of the public may attend, participate, and watch the Board conduct their business.

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**Members Present: PARTICIPATION VIA ZOOM OR IN-PERSON**

**City of Suisun City Councilmembers:** Wanda Williams, Alma Hernandez, Mike Hudson

**Solano Irrigation District Directors:** Derrick Lum, Michael J. Barrett, Charles Herich, J.D. Kluge, Pete Sanchez.

**Staff:** Cary Keaten, SSWA Manager/SID General Manager; Mona Ebrahimi, SSWA Legal Counsel; Greg Folsom, Suisun City Manager; Paul Fuchslin, SID Director of Engineering; Matthew Hobbs, SID Water & Power Operations Manager; Lakhwinder Deol, City of Suisun Director of Finance; Beth Luna, City of Suisun City Accounting Services Manager; and Gerardo Santana, SID Assistant Engineer.

Absent: Jane Day

**1. Preliminary**

**1.1. Call Meeting to Order**

Board member Kluge called the meeting to order at 6:01 p.m.

**1.2. Roll Call**

**1.3. Continuation of Teleconference Meetings Pursuant to the Brown Act, Government Code section 54953(e), as Amended By Assembly Bill (AB) 361: Consider Adoption of Resolution No. 22-10 Re-Ratifying The Proclamation Of A State Of Emergency By Governor's Order Dated March 4, 2020, And Re-Authorizing Remote Teleconference Meetings Of The Legislative Bodies Of Suisun/Solano Water Authority Pursuant To The Ralph M. Brown Act.**

SSWA Legal Counsel Mona Ebrahimi opened this item and presented options for attending SSWA regular Board meetings and answered questions from the Board.

Ebrahimi clarified that Resolution 22-07 regarding AB 361 adopted last Board meeting is good for 30 days and covers this meeting.

There were no public comments.

Upon motion by Board member Barrett and seconded by Board member Hernandez the Board voted to hold regular SSWA Board Meetings in-person for Directors moving forward, pursuant to traditional teleconference requirements, while allowing members of the public to attend either in-person or virtually via teleconference.

Ayes: Lum, Barrett, Hernandez, Sanchez, Williams, Hudson, Herich, Kluge

Noes: None

Abstain: None

Absent: Day

Motion passed.

Further, the Board provided the following general direction to staff and general counsel:

- The General Manager shall attend meetings in-person.
- Staff shall attend meetings in-person if they are presenting, otherwise may attend virtually.
- The General Counsel shall coordinate with staff to attend in-person meetings when required to present, otherwise may attend meetings virtually.

#### **1.4. Approval of Agenda**

Upon motion by Board member Hudson and seconded by Board member Hernandez, the Board approved the agenda as presented.

Ayes: Lum, Barrett, Hernandez, Sanchez, Williams, Hudson, Herich, Kluge

Noes: None

Abstain: None

Absent: Day

Motion passed.

#### **1.5. Pledge of Allegiance**

The pledge was led by Board member Kluge.

#### **1.6. Conflict of Interest Notification *(Any Agenda items that might be a conflict of interest to any Board members should be identified at this time by the Board member involved)***

No Conflict-of-Interest Notifications.

### **2. Presentations**

There were no presentations scheduled for this meeting.

### **3. Public Comment (Non-Agenda Items)**

There were no comments from the public.

**4. Informational Items**

**4.1. Capital Improvement Project Status Report.**

There were no comments or questions from the Board for item 4.1.

**4.2. Chlorine Costs, Gaseous vs. Liquid – Informational**

Staff received comments and answered questions from the Board.

**4.3. Acceptance of Commendation Award for the 2017-2021 SSWA Program Management and Capital Implementation Project**

SID Water & Power Operations Manager, Matthew Hobbs, accepted the award on behalf of General Manager, Cary Keaten. Elizabeth Schlegel, on behalf of Kjeldsen, Sinnock, and Neudeck (KSN), Inc., presented the award.

**5. Consent Calendar**

**5.1. Approval of the Minutes of the July 11, 2022, Board Meeting.**

There were no public comments.

Upon motion by Board member Sanchez and seconded by Board member Williams, the Board voted to approve the Consent Calendar as presented.

Ayes: Lum, Barrett, Hernandez, Sanchez, Williams, Hudson, Herich, Kluge

Noes: None

Abstain: None

Absent: Day

Motion passed.

**6. Scheduled Items**

**6.1. Adopt Resolution No. 22-11 Authorizing the Board President to Execute the Second Amendment to the 1990 Implementation Agreement**

SID Water & Power Operations Manager, Matthew Hobbs, opened this item and introduced SSWA General Counsel Mona Ebrahimi who provided the Board an overview of the staff report.

Staff received comments and answered questions from the Board.

There were no public comments.

Upon motion by Board member Hernandez and seconded by Board member Lum, the Board voted to adopt Resolution No. 22-11 A Resolution of the Board of Directors of the Suisun/Solano Water Authority Approving the Second Amendment to the 1990 Implementation and Lease Agreement.



Ayes: Lum, Barrett, Hernandez, Sanchez, Williams, Hudson, Kluge  
Noes: Herich  
Abstain: None  
Absent: Day

Motion passed.

**6.2. Consideration of format of Board meeting—in person, hybrid, or virtual**

There were no public comments.

Upon motion by Board member Sanchez and seconded by Board member Williams, the Board voted to hold regular SSWA Board Meetings in-person for Directors moving forward, pursuant to traditional teleconference requirements, while allowing members of the public to attend either in-person or virtually via teleconference.

Ayes: Lum, Barrett, Hernandez, Sanchez, Williams, Hudson, Herich, Kluge  
Noes: None  
Abstain: None  
Absent: Day

Motion passed.

**7. Board Comments**

No comments.

**8. Staff Comments**

No comments.

**9. Adjourn**

Meeting adjourned at 6:39 p.m.

**SUISUN-SOLANO WATER AUTHORITY  
BOARD MEETING**

**MEETING DATE: September 12, 2022**

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**AGENDA ITEM 6.1**

**Consider approval of Resolution No. 22-13 authorizing the General Manager to execute the Construction Reimbursement Agreement with the developer of the Meridian West Development for the reconstruction of the pipelines in the adjacent offsite streets and further authorize a budget amendment for the project**

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**EXECUTIVE SUMMARY:**

At the September 13, 2021 the Board approved Resolution No. 21-12 authorizing two agreements, one for design, and the other for construction to replace the offsite potable pipelines adjacent to the proposed Meridian West development (old Crystal Middle School Site in old town). The two agreements were drafted by SSWA legal for design reimbursement and for construction. We have reviewed the Developer insurance and are satisfied.

The Design Reimbursement Agreement was for an amount of \$53,630. The design is being completed per SSWA standards and reviewed by staff. The cost includes design and construction services.

The Construction Agreement is very similar to the Design Agreement. However, the cost of construction was left blank and Resolution No. 21-12 directed staff to return to the Board at a later date for approval when the design is complete and construction cost estimate based on final plans. Reimbursement will be based on actual costs.

The construction cost estimate to be included in the Agreement is \$636,063. The agreement provides for a 7% management fee for the developer to manage the project. With inspection, construction administration, design, and contingencies the total requested project budget is \$904,000. See table below. The budget amendment would leave a projected Replacement Reserve Balance at the end of the fiscal year of \$2,407,000.

| <b>Meridian West Development Offsite Waterline Replacement Cost Estimate</b> |                      |
|--|----------------------|
| <b>Description</b>   | <b>Cost</b>          |
| Total Construction Cost  | \$ 636,063.00        |
| Management Fee 7%  | \$ 44,524.41         |
| Total Reimbursable for Waterline   | \$ 680,587.41        |
| Contingency 10%  | \$ 68,058.74         |
| Inspection and Construction Admin 15%  | \$ 102,088.11        |
| Design (per Agreement)   | \$ 53,630.00         |
| <b>Total</b>   | <b>\$ 904,364.26</b> |

Staff recommends the Board approve Resolution No. 22-13 authorizing the General Manager to execute the Construction Reimbursement Agreement with the Developer for the estimated cost of \$636,063 plus a 7% Management Fee and further authorize a budget amendment of the project from \$700,000 to \$904,000.

This project is categorically exempt under CEQA Guidelines section 15301 (b) for existing facilities as existing facilities will be replaced with no change in capacity.

***Some background on the project:***

Within the surrounding streets of the proposed development of the Crystal Middle School property, the pipelines are cast iron, very old and pitted, shallow, and have repeated leaks. To ensure reliable water service the old waterlines need to be replaced prior to the proposed development being completed.

The City has conditioned the development to restore portions of the pavement in the streets surrounding the proposed development. For reliability reasons and because of having a history of repeated leaks in the area (which would require tearing up the newly resurfaced streets), now is the time to remove and replace the pipelines similar to the Civic Center Blvd project. Many of the existing waterline valves are stuck open (inoperable) which requires shutting down larger portions of a development to repair a leak. Adding additional customers creates the potential for a higher number of customers to be out of water when performing a repair. Further, the City now has a 5-year moratorium on opening a street back up after it has been paved.

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**RECOMMENDATION/REQUEST:**

Staff recommends the Board approve Resolution No. 22-13 authorizing the General Manager to execute the Construction Reimbursement Agreement with the Developer for the estimated cost of \$636,063 plus a 7% Management Fee and further authorize a budget amendment of the project from \$700,000 to \$904,000.

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**ATTACHMENTS:**

1. Construction Reimbursement Agreement
2. Resolution No. 22-13

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**STAFF RESPONSIBLE FOR REPORT:**



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Paul Fuchslin, SID Director of Engineering

Date: 9/9/2022



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Cary Keaten, General Manager

Date: 9/9/2022

CONSTRUCTION REIMBURSEMENT AGREEMENT

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This Agreement is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between the Suisun Solano Water Authority, hereinafter referred to as "SSWA," and CENTURY COMMUNITIES OF CALIFORNIA, LLC a Delaware limited liability company hereinafter referred to as "Developer."

RECITALS

- A. SSWA operates and maintains the potable water system for Suisun City that will provide water to Developer's future development at the property located on APN 0032-152-180 hereinafter "Developer's Property".
- B. SSWA has a planned Capital Improvement Project to install a \_\_\_\_\_, also known as the \_\_\_\_\_, (the "Required Improvements") \_\_\_\_\_ to improve operation and reliability of the system, and ultimately provide water service to Developer's Property.
- C. The Developer desires to expedite the installation of the \_\_\_\_\_ pipeline by constructing a portion of the improvements, (the "Required Improvements") identified in the proposal attached hereto as Exhibit A, and proposes that SSWA reimburse the cost of completing such improvements to Developer at regular intervals.
- D. The Developer and SSWA desire to enter into this Reimbursement Agreement to more particularly describe the reimbursement process for those SSWA improvements.

NOW, THEREFORE, the parties agree as follows:

1. Performance of Work. Developer agrees to hire a qualified contractor to construct and install the Required Improvements as shown on the plans and specifications, as developed by Bellecci & Associates ("Designer"), and as approved by SSWA along with any changes or modifications as may be required by the SSWA Engineer or designee ("the Engineer") due to errors, omissions, or changes in conditions. The plans and specifications of the Required Improvements may be modified by the Developer as the development progresses, subject to the prior written approval of the Engineer. The total cost of the Required Improvements, as determined by the Designer and approved by the Engineer, is \_\_\_\_\_ . Any necessary change orders shall be approved by SSWA prior to work or funds being expended, and such approval shall not be unreasonably withheld. SSWA understands that rejecting the increase may result in an inability to complete the Required Improvements. If there is such an increase, Developer shall be reimbursed the same and the Management Fee shall apply to the difference. Developer shall also be entitled to a Management Fee of seven percent (7%) of the total cost to complete the Required Improvements.

2. Reimbursement: On an at least a 30 day interval basis, Developer will request reimbursement from SSWA for the invoiced construction work costs incurred during that period for the Required Improvements, plus the Management Fee. Reimbursement shall be paid to Developer within thirty (30) days receipt of requests for reimbursement, in the amounts documented in the requests for reimbursement. SSWA shall be provided "open book" access by Developer at all times to any and all invoices or other accounting documents reasonably provided by Developer substantiating work done on the Required Improvements and/or the cost of the Required Improvements.

3. Work; Satisfaction of Engineer. All of the work on the Required Improvements is to be done at the places, of the materials, and in the manner and at the grades, all as shown upon the approved plans and specifications and in accordance with SSWA's Standard Specifications and Details, latest edition, to the satisfaction of the Engineer.

4. Injury to Public Improvements, Public Property or Public Utilities Facilities. Developer shall replace or repair, or have replaced or repaired, all public improvements, public utility facilities, and surveying or subdivision monuments which are destroyed or damaged by Developer, its agents and any parties contracted to work for Developer, including any subcontractors, in the performance of any work under this Agreement. Developer shall bear the entire cost of replacement or repairs of any and all public or private utility property to the extent damaged or destroyed by Developer, its agents and any parties contracted to work for Developer, including any subcontractors, in the performance of any work done under this Agreement, whether such property is owned by the United States or any agency thereof, or the State of California, or any agency or political subdivision thereof, or by SSWA or any public or private utility corporation or by any combination of such owners. Any repair or replacement shall be to the reasonable satisfaction of the Engineer.

5. Inspection by SSWA. Developer shall at all times provide safe access for inspection by SSWA to all parts of the Required Improvements and to all places where the Required Improvements are in preparation. SSWA agrees to comply with all job-site safety requirements.

6. Developer's Obligation to Warn Public During Construction. Until final acceptance of the Required Improvements, Developer shall give good and adequate warning to the public of each the construction area that may be temporarily be in adangerous condition, and will take reasonable actions to protect the public from such dangerous condition.

7. Superintendence by Developer. Developer shall require each contractor and subcontractor to have a competent foreman on the job at all times when that contractor or subcontractor, or any employee or agent thereof, is performing work on the Required Improvements. In addition, Developer shall maintain an office with a telephone, and Developer or a person authorized to make decisions and to act for Developer in Developer's absence shall be available on the job site within three (3) hours of being called at such office by the SSWA during the hours of 7:00 A.M. through 5:00 P.M., Monday through Friday, or any other day or time when work is being performed on the Required Improvements.

8. Work; Time for Commencement and Performance. Work on the Required Improvements [has been commenced by the Developer/shall commence on or before the 1<sup>st</sup> day of \_\_\_\_\_, \_\_\_\_], and Developer will use commercially reasonable efforts to complete them on or before the 1<sup>st</sup> day of \_\_\_\_\_, \_\_\_\_; provided, however, that the Required Improvements shall not be deemed to be completed until accepted in writing by the SSWA. Notwithstanding the foregoing, Developer shall have the right to an extension of the foregoing deadlines for delays caused by occurrences beyond the control of the Developer, including, without limitation, any act of God, unforeseeable adverse weather, pandemic, epidemic, labor or material shortage, governmental delays or other similar factors (other than financial or economic factors) outside the control of Seller. The work must be completed prior to or in concert with on-site water system being completed. Under no circumstances will any occupancy occur within the Crystal Middle School development prior to the off-site work being completed and accepted by SSWA.

9. Utility Undergrounding and Relocation Costs. Developer shall be reimbursed by SSWA for all costs incurred related to utility and cable television undergrounding and/or relocation which is not the responsibility of the cable television, gas, electric, telephone, or other utility company, or as otherwise imposed upon the utility companies by law. SSWA shall be advised in writing of any such increased costs prior to expenditure of funds, and SSWA shall approve any and all increased costs, which approval shall not be unreasonably withheld. SSWA understands that rejecting the increase may result in an inability to complete the Required Improvements.

10. Improvement Security. Concurrently with the execution of this Agreement, the Developer shall furnish, or have its contractor furnish, the SSWA:

a. Faithful Performance and Payment Security. Each security shall be in the amount of one hundred percent (100%) of the total estimated cost of the Required Improvements, as determined by the Engineer. One improvement security shall secure faithful performance of this Agreement (the “faithful performance” security). The second improvement security shall secure the obligations set forth in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California for payment to the contractor, subcontractors and to persons renting equipment or furnishing labor or materials to them for the work (the “payment security”).

b. Guarantee and Warranty Security. Developer, or its contractor, shall also file with this Agreement a “guarantee and warranty security” in the amount of fifty percent (50%) of the total estimated cost of the Required Improvements, as determined by the Engineer, to guarantee and warrant the Required Improvements for a period of one year following their completion and acceptance against any defective work or labor done, or defective materials furnished, as required by SSWA.

c. Any bonds submitted as security pursuant to this section shall be executed by a surety company authorized to transact a surety business in the State of California. All required securities shall be in a form approved by the SSWA Attorney.

d. No change, alteration, or addition to the terms of this Agreement or the plans and specifications incorporated herein shall in any manner affect the obligation of the sureties, except as otherwise provided by the Subdivision Map Act.

e. The securities shall be irrevocable, shall not be limited as to time (except as to the one-year guarantee and warranty period) and shall provide that they may be released, in whole or part, only upon the written approval of the SSWA Manager and as provided in paragraph 11. All securities provided pursuant to this Agreement shall expressly obligate the surety for any extension of time authorized by SSWA for Developer's completion of the Required Improvements, regardless of whether the surety is given notice of such an extension by SSWA.

#### 11. Release of Security.

a. Guarantee and Warranty Security. Any unused portion of the guarantee and warranty security shall be released one year after acceptance of the Required Improvements by the SSWA Board. The amount to be released shall first be reduced by the amount deemed necessary by SSWA to correct any defects in the Required Improvements that are known or believed by SSWA to exist at the end of the guarantee and warranty period.

b. Payment Security. The payment security shall be released thirty-five (35) days after passage of the time within which claims of lien are required to be recorded pursuant to Article 3 of Chapter 2 of Title 15 of Part 4 of Division 3 of the Civil Code (commencing with Section 3114), but in no event shall such security be released prior to one hundred and twenty (120) days after acceptance of the Required Improvements by the SSWA Board. The amount to be released shall first be reduced by the total of all claims on which an action has been filed and notice thereof given in writing to SSWA. SSWA expressly may require the surety not to release the amount of security deemed necessary by SSWA to assure payment of reasonable expenses and fees, including reasonable attorney's fees.

c. Faithful Performance Security. The faithful performance security shall be released upon acceptance of the Required Improvements by the SSWA Board.

12. Defense, Indemnification and Hold Harmless. To the fullest extent permitted by California law, Developer shall defend, indemnify, and hold harmless SSWA, its officers, employees, agents, and elective and appointive boards (collectively, "SSWA Parties") from any and all claims, losses, damages, including property damage, personal injury, including death, costs, including attorney fees, and liability of any kind or nature (collectively "Claims") to the extent arising out of or connected with performance under this Agreement and/or the construction of the Required Improvements by Developer, contractor or any subcontractor, or of any person directly or indirectly employed by, or acting as agent for Developer, contractor or any subcontractor.

This defense, indemnification and hold harmless provision shall extend to Claims occurring after completion of the construction of the Required Improvements as well as during construction, and shall apply regardless of whether SSWA has approved the plans and/or

specifications for the Required Improvements or has inspected or accepted the same; provided, however, the defense, indemnification and hold harmless provision shall not apply to Claims to the extent arising from the negligence, omissions or willful misconduct of any SSWA Party. Acceptance of insurance required under this Agreement shall not relieve Developer from liability under this defense, indemnification and hold harmless provision. The parties intend that this provision shall be broadly construed to effectuate its purpose.

13. Contractor's Insurance. Before commencing construction, Developer shall have obtained, or shall ensure that its contractor(s) have obtained, all insurance required under this paragraph and such insurance shall have been approved by the SSWA Attorney as to form and sufficiency. Developer shall not allow any contractor or subcontractor to commence work until similar insurance first shall have been so obtained by such contractor or subcontractor and approved by the SSWA Attorney. a. Worker's Compensation Insurance. Developer shall maintain, during the term of this Agreement, workers' compensation insurance for all of Developer's employees employed at the site of improvement, and in case any work is sublet, Developer shall require any contractor or subcontractor similarly to provide workers' compensation insurance for all contractor's employees or subcontractor's employees, unless such employees are covered by the protection afforded by Developer. Developer shall indemnify and hold harmless SSWA for any damage resulting to it, including attorney fees, from failure of either Developer or any contractor or subcontractor to take out or maintain such insurance.

b. Commercial General Liability Insurance. Developer shall take out and maintain during the term of this Agreement such commercial general liability insurance as shall insure SSWA, its elective and appointive boards and commissions, officers, agents and employees, Developer and any contractor or subcontractor performing work covered by this Agreement against claims for damages for personal injury, including death, as well as against claims for property or other damage which may arise from Developer's or any contractor's or subcontractor's operations hereunder, whether such operations are by Developer or any contractor or subcontractor or by anyone directly or indirectly employed by either Developer or any contractor or subcontractor. The insurance shall be in an amount not less than two million dollars (\$2,000,000) per occurrence and four million dollars (\$4,000,000.) aggregate.

14. Endorsements. Promptly upon execution of this Agreement and prior to commencement of any work, the Developer shall provide SSWA with certificates of insurance and blanket endorsements effecting coverage for all insurance policies required by this Agreement. Such insurance and endorsements shall name SSWA, its officers, employees, agents, boards, commissions, and volunteers as additional insureds with respect to liability arising out of the performance of any work under this Agreement, and shall provide that such insurance is primary insurance with respect to the interest of SSWA and that of any other insurance maintained by SSWA. The endorsements and policies shall include a severability of interests (cross-liability) clause, and shall provide that no failure by the Developer to comply with any reporting requirements in the policy will injure the rights of SSWA. The endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf, and shall be in a form approved by the SSWA Attorney. Approval of the insurance by SSWA shall not relieve or decrease any liability of Developer.



15. Prevailing Wage. In the event it is determined that the Developer is required to pay prevailing wages for the work performed under this Agreement, the Developer shall pay all wages as required by applicable law, and any penalties assessed as a result of Developer failing to comply with the foregoing.

16. Title to Required Improvements. SSWA shall not accept any real property to be dedicated or the Required Improvements unless they are constructed in conformity with the approved plans and specifications, approved modifications, if any, the approved final, or parcel map, and the SSWA Standard Specifications and Details, to the satisfaction of the SSWA Manager. Until such time as the Required Improvements are accepted by SSWA, Developer shall retain title and shall be responsible for, and bear the risk of loss to, any of the improvements constructed or installed.

Title to and ownership of any real property to be dedicated and the Required Improvements constructed under this Agreement by Developer shall vest absolutely in SSWA upon completion and acceptance in writing of such Required Improvements by SSWA. SSWA shall not accept the Required Improvements unless title to the Required Improvements is entirely free from lien. Prior to acceptance, Developer shall supply SSWA with appropriate lien releases, at no cost to and in a form acceptable to SSWA.

17. Repair or Reconstruction of Defective Work. If, within a period of one year after final acceptance by the SSWA Board of the Required Improvements, any improvement or part of any improvement furnished and/or installed or constructed, or caused to be installed or constructed by Developer, or any of the work done under this Agreement materially fails to fulfill any of the requirements of this Agreement or the specifications referred to herein, Developer shall without delay and without any cost to SSWA, repair, replace or reconstruct any defective or otherwise unsatisfactory part or parts of the improvements. If Developer fails to act promptly or in accordance with this requirement, or if the exigencies of the situation require repairs or replacements to be made before the Developer can be notified, then SSWA may, at its option, make the necessary repairs or replacements or perform the necessary work, and Developer shall pay to SSWA the actual cost of such repairs within thirty (30) days of the date of billing for such work by SSWA.

18. Developer Not Agent of SSWA. Neither Developer nor any of Developer's agents, contractors, or subcontractors are or shall be considered to be agents of SSWA in connection with the performance of Developer's obligations under this Agreement.

19. Notice of Breach and Default. The following shall constitute a default under this Agreement if not cured within the timeframe described below: If Developer refuses or fails to prosecute the work on the Required Improvements, or any part thereof, with such diligence as will ensure its completion, or fails to complete the Required Improvements; if Developer should be adjudged a bankrupt, or Developer should make a general assignment for the benefit of Developer's creditors, or if a receiver should be appointed in the event of Developer's insolvency; or if Developer or any of Developer's contractors, subcontractors, agents or employees should violate any of the provisions of this Agreement. In the event of Developer's default, Developer shall be deemed to be in breach of this Agreement and SSWA may serve written notice upon Developer and Developer's surety, if any, of the breach of this

Agreement. Developer shall have fifteen (15) days from receipt of written notice by SSWA to cure any default.

20. Breach of Agreement; Performance by Surety or SSWA. In the event Developer is in default under this Agreement, and the applicable cure period set forth in paragraph 21 has expired without such default having been cured by Developer, or Developer has failed to commence implementing the cure, SSWA may thereafter deliver a notice of breach to Developer's surety, if any, and such surety shall have the duty to take over and complete the work on the Required Improvements; provided, however, that if the surety within fifteen (15) days after the serving of such notice of breach upon it does not give SSWA written notice of the surety's intent to take over the performance of the Agreement, or does not commence performance thereof within fifteen (15) days after notice to SSWA of such election, then SSWA may take over the work and prosecute the same to completion by contract, or by any other method SSWA may deem advisable, for the account and at the expense of the Developer, and the Developer's surety shall be liable to SSWA for any excess cost or damages incurred by SSWA. In such event, SSWA, without liability for so doing, may take possession of and utilize in completing the work such materials, appliances, plants, or other property belonging to Developer as may be on the site of the work and necessary therefor. The remedy provided by this paragraph is in addition to, and not in lieu of, other remedies available to SSWA. SSWA reserves to itself all remedies available to it at law or in equity for a breach of Developer's obligations under this Agreement. In addition to any other remedy SSWA may have, a breach of this Agreement by the Developer shall constitute consent to the filing by SSWA of a notice of violation against all the lots in the Development. Developer agrees that the choice of remedy or remedies for Developer's breach shall be in the discretion of SSWA.

If the form of improvement security is other than a bond, SSWA, after giving notice of breach of the Agreement, may proceed to collect against the improvement security in the manner provided by law and by the terms of the security instrument.

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

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

Cary Keaten, General Manager  
Suisun-Solano Water Authority  
810 Vaca Valley Parkway, Suite #201  
Vacaville, CA 95688

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

Century Communities of California, LLC  
6700 Koll Center Parkway, Suite 210  
Pleasanton, CA 94566  
Attn: Nicholas Arenson

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

22. Waiver. The waiver by either party of a breach by the other of any provision of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of either the same or a different provision of this Agreement.

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

24. Personal Nature of Developer's Obligations/Assignment. All of Developer's obligations under this Agreement are and shall remain the personal obligations of Developer notwithstanding a transfer of all or any part of the property within the Development subject to this Agreement, and Developer shall not assign any of its obligations under this Agreement without the prior written consent of SSWA, except to the extent such transfer is made to a related entity.

25. Compliance with Laws. Developer, its agents, employees, contractors, and subcontractors shall comply with all federal, state, and local laws in the performance of the work required by this Agreement, including but not limited to obtaining all applicable permits and licenses.

26. No Vesting of Rights. Entering into this Agreement shall not be construed to vest Developer's rights with respect to any change in any zoning or building law or ordinance.

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

28. Construction and Interpretation. It is agreed and acknowledged by Developer that the provisions of this Agreement have been arrived at through negotiation, and that Developer has had a full and fair opportunity to revise the provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

29. Severability. The provisions of this Agreement are severable. If any portion of this Agreement is held invalid by a court of competent jurisdiction, the remainder of the Agreement shall remain in full force and effect unless amended or modified by mutual written consent of the parties.

30. Actions. Any action by any party to this Agreement, or any action concerning a security furnished pursuant thereto, shall be brought in the appropriate court of competent jurisdiction within the County of Solano, State of California, notwithstanding any other

provision of law which may provide that such action may be brought in some other location. The law governing this Agreement is the law of the State of California.

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

32. Modification. This Agreement may be amended only by a written instrument signed by the parties. Developer shall bear all costs of amendments to this Agreement that are requested by the Developer.

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

SUISUN SOLANO WATER AUTHORITY

By: \_\_\_\_\_

ATTEST:

\_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_

DEVELOPER

CENTURY COMMUNITIES OF CALIFORNIA,  
LLC, a Delaware limited liability company

By: \_\_\_\_\_  
Nicholas Arenson, Vice President

**SUISUN-SOLANO WATER AUTHORITY**

**RESOLUTION NO. 22-13**

**A RESOLUTION OF THE SUISUN SOLANO WATER AUTHORITY (SSWA)  
BOARD OF DIRECTORS AUTHORIZING A REIMBURSEMENT  
AGREEMENT WITH THE DEVELOPER OF THE MERIDIAN WEST  
DEVELOPMENT (AKA CRYSTAL MIDDLE SCHOOL SITE) TO REPLACE  
EXISTING OFFSITE WATER FACILITIES ADJACENT TO THE PROJECT  
SITE**

**WHEREAS**, the existing water lines surrounding the Crystal Middle School Site are at end of life, have repeated leaks, and need to be replaced to ensure reliable water delivery; and,

**WHEREAS**, the Authority and Developer of the Meridian West Development (aka Crystal Middle School Site) wish to cooperate on the replacement of the facilities; and,

**WHEREAS**, the Authority’s legal counsel has reviewed and approved reimbursement Agreements for design and construction of said replacement of existing water lines surrounding the Meridian West Development; and,

**WHEREAS**, the Construction Costs are estimated to be \$636,063 plus a 7% management fee; and,

**WHEREAS**, this project is categorically exempt under CEQA Guidelines section 15301 (b) for existing facilities as existing facilities will be replaced with no change in capacity.

**NOW THEREFORE**, the Board of Directors of the Authority does find, resolve and order as follows:

1. Authorize the General Manager to Execute the Construction Reimbursement Agreement with the Developer of the Meridian West Development for the offsite replacement water facilities.
2. Authorize a Project Budget Amendment in the Replacement Reserve Fund from \$700,000 to \$904,000 to cover the project.

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**PASSED AND ADOPTED THIS 12<sup>th</sup> DAY OF SEPTEMBER, 2022, AT  
SUISUN CITY, CALIFORNIA, THE FOLLOWING DIRECTORS VOTING  
THEREON:**

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

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**John D. Kluge, President of the Board of Directors  
of the Suisun-Solano Water Authority**

**ATTEST:**

I hereby certify that the foregoing Resolution was duly made, seconded and adopted by the Board of Directors of the Suisun-Solano Water Authority at their meeting held September 12, 2022.

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**Cary Keaten, Secretary to the Board of Directors  
of the Suisun-Solano Water Authority**