

BELLA VISTA WATER DISTRICT

Capital Conveyance

Re-Adopted October 27, 2014

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**BELLA VISTA WATER DISTRICT
CONVEYANCE AGREEMENT – MASTER**

LEGEND

ZZZ	Developer's name (In Caps)
<<	Street address of Developer
>>	City, State, and Zip code of Developer
YY	Parcel Number
WW	Project known as, etc.
XX	Filed in District office as
VV	Engineering Firm
UU	Description listing length & diameter of pipe, etc.
##	How many sheets

**BELLA VISTA WATER DISTRICT
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THIS AGREEMENT, made and entered into this _____ day of _____, 20__, by and between the BELLA VISTA WATER DISTRICT, hereinafter referred to as “District” and {Developer’s Name (in CAPS)}, hereinafter referred to as “Developer”.

Recitals

WHEREAS, Developer has prepared or caused to be prepared, at Developer’s sole cost, expense, and responsibility, plans and specifications entitled {Project known as, etc.}, (filed in District’s office as {District’s file name}), as prepared by {Name of Project’s Engineer} for construction of water system improvements consisting generally of {Description listing length & diameter of pipe, etc.} and all appurtenances thereto, to provide treated water to Shasta County AP {PARCEL NO.}, a copy of which is attached hereto marked Exhibit “A” and made a part of this Agreement; and

WHEREAS, the plans and specifications contained in Exhibit “A” meet with the State Water Resources Control Board Drinking Water Program and District Engineer’s acceptance; and

WHEREAS, the facilities and lands to be served treated water by said water system improvements lie within the boundaries of the District and are more particularly described in Exhibit “A”; and

WHEREAS, Developer desires District to accept said water system improvements into District’s overall water system upon completion; and

WHEREAS, District, subject to the following terms and conditions, as well as those contained in the District’s Regulations relating to water service, is willing to accept said water system improvements upon completion, provided the water system improvements are constructed in accordance with the District’s adopted policies, Design Standards, Construction Standards, plans and specifications and in a manner meeting District’s approval;

NOW, THEREFORE, the parties mutually agree as follows:

ARTICLE 1 - RECITALS: The recitals contained herein are an integral part of this Agreement.

ARTICLE 2 - PLANS: Attached hereto marked Exhibit “A” and made a part of this Agreement is one set of plans reduced to 11” x 17”, prepared by the Developer’s licensed civil engineer, and consisting of {Number of Sheets in the Plan Set} sheets, and specifications for construction of water system improvements. The District’s acceptance of these plans and specifications does not constitute a warranty or guaranty by District of proper design nor does it relieve Developer of responsibility for the proper design and construction of the improvements thereon.

ARTICLE 3 - CONNECTION FEES: The District’s Policy Manual “Exhibit A Schedule of Rates and Charges” as adopted by the Board of Directors and amended from time to time, sets forth the applicable schedule of fees, rates and charges and is hereby incorporated by reference. Developer understands and agrees to be bound by any District alterations, additions, amendments, revisions or modifications to Policy Manual “Exhibit A” or any other District policies, rules, or regulations. All parties hereby agree hereto that District is entitled to those connection fees (the sum of the

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the water system improvements are free and clear of all liens, encumbrances, and other expense.

ARTICLE 6 - INSURANCE REQUIREMENTS: Prior to Developer's commencement of construction of the water system improvements as otherwise set forth in the terms and provisions of this Agreement, general liability insurance naming the District as an additional named insured shall be taken out and maintained for the duration of this Conveyance Agreement by Developer or Developer's contractor for claims for damages to property, personal injury, bodily injury, and accidental death. The types of insurance covered under the general liability policy shall include, but not be limited to, comprehensive form, premises-operations, underground hazard, products completed operations hazard, broad form property damage, independent contractor, and personal injury. Prior to any blasting operations for removal of rock, stumps, or other materials from the work area, the general liability policy must also contain explosion and collapse hazard coverage. It shall also include coverage for Products, Completed Operations liability losses for a period of 12 months from the date of District's acceptance of the completed works. (This time period corresponds with the 12-month maintenance bond requirement.) All insurance acquired under the terms of this article must be obtained through an insurance company authorized and licensed to do business in the State of California. All of the insurance shall be provided on policy forms and through companies satisfactory to the BELLA VISTA WATER DISTRICT. The general liability policy shall contain minimum limits of liability as follows:

1. Bodily Injury: \$1,000,000 for each occurrence, \$1,000,000 aggregate
2. Property Damage: \$500,000 each occurrence, \$1,000,000 aggregate

General Liability Insurance policies having combined single limits damage combined of liability shall carry limits for bodily injury and property damage and other provisions as required by the District.

The certificate of insurance shall also have a description of operations/locations/vehicles that refers specifically to the water system improvements.

ARTICLE 7 - PROOF OF INSURANCE: The Developer shall submit or cause to be submitted a copy of the insurance policy(ies) with endorsements and exclusions, and shall submit a certified copy of the endorsement naming the District as additional insured to the District as proof of general liability insurance as required by this Agreement. Developer shall receive District approval that the insurance requirements of this Agreement have been met. The Developer must receive this approval prior to the start of construction pursuant to the terms of this Agreement.

ARTICLE 8 - HOLD HARMLESS AND INDEMNIFICATION: Developer shall hold District and District's agents, officers, and employees harmless from any and all claims, lawsuits, acts, or omissions arising out of Developer's performance of the terms and conditions of this Agreement. Likewise, Developer shall defend and/or pay the cost of defending and indemnifying District together with District's Agents, employees, and officers from all civil proceedings, claims, and/or judgments including, but not limited to, payment of all attorney fees and litigation costs.

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ARTICLE 9 – INSPECTION OF WORK: Developer shall give the District two working days’ advance notice prior to Developer’s contractor starting any work associated with the water system improvements and shall keep District informed of construction schedules throughout the course of the work in order for District to properly schedule inspection personnel. It is suggested that Developer’s contractor provide District submittals on any materials proposed for the water system improvements for approval prior to purchase.

ARTICLE 10 - BEGINNING OF WORK OR TERMINATION: This Agreement shall terminate and be of no further force or effect at District’s discretion should District determine that Developer has failed to cause construction of the water system improvements as shown on Exhibit “A” to commence within nine (9) months from the date of this Agreement.

For purposes of this Article, Developer’s commencement of construction shall not be deemed to have occurred upon one or any combination of the following actions or events:

1. Bid advertisement
2. Execution of contracts or bonds
3. Ordering of material and supplies or the delivery and stockpiling of materials and supplies on the job site.
4. Clearing and grubbing for or construction of roads including the completion of rough subgrade work.

District and Developer understand and agree that construction upon the water system improvements shall be deemed to have commenced when Developer causes its properly-licensed contractor to excavate and backfill pipeline in excess of 10 percent of the total water system to be constructed pursuant to the terms of this Agreement. The District Engineer shall make the determination as to the percentage of water system caused to be constructed and installed by Developer.

ARTICLE 11 - CONSTRUCTION: Developer shall cause the water system improvements described in Exhibit “A” to be constructed by a properly-licensed contractor, without expense to District, and District shall not be responsible for any of the cost of said improvements. The Developer is not acting as a contractor, agent, official, or representative of District in constructing or providing such water system improvements, or in causing such improvements to be installed. This Agreement simply provides for the transfer and assumption of responsibility for such water system improvements to be installed upon completion and upon performance of all terms of this Agreement to be performed by Developer. The approval of the plans and specifications as presented by Developer shall not be deemed as a warranty or guarantee by District of proper design or proper specifications of materials or construction. District specifically relies upon the design and specifications as prepared or caused to be prepared by Developer as being in keeping with the requirements of District, as being in accordance with the conditions of the geography, and as having specific materials and equipment of the highest practicable quality and character. The Developer will provide a licensed civil engineer to act as the project engineer during construction.

ARTICLE 12 - NOTIFICATION OF DEVIATIONS OR FAILURES: District agrees to notify Developer in writing as to any deviations or failure in construction of the water system improvements pursuant to said plans and specifications, and the requirements of said District as soon as any deviation is brought to District’s attention, and Developer shall immediately cause such deviation or failure to be corrected at the sole cost of Developer. Developer agrees that District is

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not, by inspection of the construction or installation of the improvements, representing Developer or providing a substitute for inspection and control of the work by Developer. Developer agrees that any inspections and observations of the work by District are for the sole purposes of providing notice of the stage and character of the work. Developer agrees that the failure of the District to note variances from the plans and specifications for the project does not excuse or exempt Developer from complying with all terms of these plans and specifications.

ARTICLE 13 - REBATE FOR MONIES EXPENDED BY DEVELOPER: Should Developer desire a rebate for the monies expended in the installation and construction of water system improvements as provided in the terms and provisions of this Agreement in addition to all other monies expended for the acquisition of rights of way and employment of engineers and contractors for construction, planning, and design of the water system improvements, then Developer shall request such rebate in writing and deliver such writing to District headquarters at least 30 days prior to conveyance of the water system improvements to District as provided in Article 16 herein. District, upon receiving Developer's written request for a rebate for monies expended pursuant to the terms and provisions of this Agreement, will then determine whether or not Developer is entitled to a rebate pursuant to District policies, rules, and regulations then in effect. Should District determine that Developer may be entitled to a rebate, then the District, in its sole discretion, may enter into a rebate agreement with Developer which shall provide for the method and manner by which Developer would achieve reimbursement of its monies expended for the construction and installation of the water system improvements. Should the District, in its discretion, determine to enter into a rebate agreement with Developer, such agreement shall be prepared and entered into prior to Developer's conveyance of water distribution facilities to District, all as set forth in Article 16 herein. The rebate agreement shall provide for the method and manner by which District may assist Developer in obtaining a rebate for a portion of monies expended by Developer for the water system improvements constructed pursuant to the terms of this Agreement.

The Developer is advised that for facilities installed with public funds, the Labor Code requires that all craftsmen, mechanics and laborers be paid the local prevailing wages. The District has not ascertained whether or not a rebate could be construed as public funding. The Developer assumes all risk as to whether a rebate could be construed as public funding, and indemnifies the District from all liability claims arising or alleged to arise from construction wages not conforming to local prevailing wages.

IF DISTRICT PARTICIPATION (Fee Credit or District Contribution) IS INVOLVED, INCLUDE THE FOLLOWING:

ARTICLE 14 – PREVAILING WAGES The Developer's attention is directed to and the Developer shall comply with Sections 1720 to 1780, inclusive of the California Labor Code.

All craftsman, mechanics, and laborers employed or working upon the site of the work (water system improvements) will be paid unconditionally and without subsequent deductions or rebate on any account the full amounts due at the time of payment at wage rates not less than those contained in the wage determination which is referenced herein and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the Developer, the Developer's Contractor and subcontractors and such laborers and mechanics.

In accordance with Section 1770 of the Labor Code, the District has ascertained that the local prevailing wage rates shall be as determined by the California Department of Industrial Relations.

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Said rates are accessible on the Internet under the heading "General Prevailing Wage Determination made by the Director of Industrial Relations pursuant to California Labor Code Part 7, Chapter 1, Article 2, Section 1770, 1773 and 1773.1". The Internet address is <http://www.dir.ca.gov/>. The wage determination shall be posted by the Developer's Contractor before start of work, throughout the work, and at the site of work in a prominent place where it can easily be seen by the workers.

The Developer, the Developer's Contractor, and his subcontractors shall comply with Section 1775 of the California Labor Code concerning the payment of prevailing rate of per diem wages. In accordance with this section, should the Developer's Contractor or his subcontractor fail to pay prevailing rates, the Labor Commissioner may assess monetary forfeitures. The Developer will be responsible for payment of any penalties. A labor and material payment bond is required as specified in this Conveyance Agreement.

ARTICLE 15 - COMPLETION OF WORK OR TERMINATION: This Agreement shall terminate and be of no further force or effect at District's discretion should District determine that Developer has failed to cause construction of the water system improvements as shown on Exhibit "A" to be completed within one and one-half (1-1/2) years from the date of this Agreement.

For the purposes of this Article, Developer's completion of the construction shall occur upon the District's accepting conveyance of the water system improvements pursuant to ARTICLE 16 of this Agreement. Developer further understands and agrees that District may withhold acceptance of Developer's proposed dedication of the facilities should the District Engineer determine that any portion of the water system improvements have failed to pass appropriate pressure and leakage tests or that samples of water taken from the treated water lines and tested are determined not to be safe by the District Engineer. Developer understands and agrees the District may also withhold acceptance of the proposed dedication of water system should the District Engineer determine that Developer failed to complete all other construction either over, under or adjacent to the water system improvements including but not limited to final road grade, paving, curbs, gutters, sidewalks, all other utilities, and restoration of rights of way.

ARTICLE 16 - CONVEYANCE: Upon completion of the water system improvements in a manner meeting District's approval, Developer shall immediately convey said improvements and title thereto free and clear of all liens, encumbrances and expense to District by such conveyance and documents as deemed necessary by District, including but not limited to the following:

1. An executed "OFFER OF DEDICATION" (Exhibit "C") offering the water system improvements shown on Exhibit "A" to the District.
2. "RELEASE" statements (Exhibit "D") from every contractor, subcontractor, corporation, firm or business entity furnishing materials for or performing labor or other services, OR a Labor and Material Payment Bond (Exhibit "E"), all as specified in Article 5.
3. Developer shall provide District with proof satisfactory to District that Developer has acquired all local, state, and federal permits, maps or licenses and that Developer shall comply with all local, state and federal rules, ordinances and regulations relevant to the real property on, over or under which the water system improvements are situated.

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4. Payment of any balance due for engineering, plan-check, and inspection services performed by District.
5. The Developer/Contractor shall keep an accurate record of all approved deviations from the plans and shall provide reproducible and electronic “contract record drawings” of the improvements constructed, in accordance with the District’s current Design Standards, prior to final acceptance of the completed improvements.
6. All easements and rights-of-way required by District.
7. The Developer-constructed water system shall be flushed (or re-flushed) and shall pass bacteriological testing no earlier than 14 calendar days prior to the date the General Manager accepts the Offer of Dedication. The Developer shall provide for proper drainage and de-chlorination equipment during flushing operations.
8. Developer shall furnish a Maintenance Bond in the form prescribed in Exhibit “F” attached hereto and made part hereof in an amount of not less than 20 percent of construction cost of the water system improvements protecting the District against any failure of the work due to faulty materials, poor workmanship, or defective equipment within a period of one year following acceptance of the “OFFER OF DEDICATION” of the water system improvements by the District’s Board of Directors.

In place of a Maintenance Bond, the Developer may offer a certificate of deposit or an irrevocable letter of credit meeting the District’s approval as to form and financial institute utilized. Certificates of deposit used in lieu of a maintenance bond must be opened either in the Developer’s name and specifically assigned to the District or opened on behalf of the District only. The signatory for the District shall be the General Manager of the District.

District, upon approving the work in writing, shall present to its Board of Directors for acceptance the “OFFER OF DEDICATION” of the water system improvements and include said improvements into its overall water system and shall operate, maintain, and repair said improvements except as specified during the warranty period.

ARTICLE 17 - APPLICATION FOR WATER: No water shall be delivered to or conveyed by or through the water system improvements shown on Exhibit “A”, other than for testing purposes, until said water system is conveyed to District, formally accepted by the District’s Board of Directors, and proper applications for water service have been filed with District and accepted.

ARTICLE 18 - OBLIGATION FOR PIPELINES AND/OR FACILITIES: District shall be under no obligation to provide additional pipelines and/or facilities in order to serve water to Developer’s project. Upon acceptance of the water system improvements by District, it shall become the sole property of District and shall be used and operated at District’s sole discretion.

ARTICLE 19 - RULES AND REGULATIONS: Upon the water system improvements being accepted by District, Developer, its successors and assigns, shall be subject to and shall comply with all of the rules and regulations of District and shall pay the water rates, tolls and charges, and standby charges as they may be levied and/or established by District’s Board of Directors from time to time.

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ARTICLE 20 - ASSIGNMENT: No transfer or assignment may be made by Developer of this Agreement or any part or interest of law unless such transfer or assignment is approved in writing by the District, provided further that District shall not unreasonably withhold consent to transfer or assignment. In the event of such transfer or assignment, District may, at its sole option and in addition to any other remedy that it may have, elect to terminate this Agreement.

ARTICLE 21 - NOTICES: The mailing addresses of District and Developer for purposes of giving any notice required pursuant to this Agreement are as follows:

DISTRICT

BELLA VISTA WATER DISTRICT
11368 East Stillwater Way
Redding, CA 96003

DEVELOPER

{ Developer's Name (in CAPS) }
{ Street address of Developer }
{ City, state, and zip code of Developer }

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

BELLA VISTA WATER DISTRICT

By _____
President

By _____
Secretary

DEVELOPER

By _____

By _____

DEVELOPER'S IMPROVEMENT PLANS

SCHEDULE OF FEES, RATES AND CHARGES

Insert a current copy of the applicable fees from Policy Manual “Appendix A – Schedule of Fees, Rates and Charges” as revised and superseded.

OFFER OF DEDICATION

I/We hereby extend an offer to convey, transfer, and dedicate all rights, title, and interest in and to that certain water system and appurtenances more particularly described in Exhibit "A" attached to the Agreement by and between BELLA VISTA WATER DISTRICT and {Developer's Name (in CAPS)} hereinafter referred to as DEVELOPER, dated _____, 20__ , a copy of which is on file in District headquarters located in Redding, California; to BELLA VISTA WATER DISTRICT, assuring and warranting to said District that the water system for the project known as [Project known as, etc.] (filed in District's office as "{District's file name}"), is free and clear of all liens, encumbrances, and other expense.

I/We have constructed or caused the construction and installation of the water system and improvements described in Exhibit "A" attached to said Agreement, and do hereby assure and warrant to BELLA VISTA WATER DISTRICT that the water system improvement facilities together with the contractors, subcontractors, employees, or agents of the Developer have been fully and completely paid and there exist no liens, encumbrances, stop notices, or claims on the water system improvement facilities or by any of the subcontractors, employees, or agents against the water system improvement facilities constructed pursuant to the terms of the above Agreement or against BELLA VISTA WATER DISTRICT.

I/We declare under penalty of perjury that the foregoing is true and correct. Executed this _____ day of _____, 20__, in the City of _____, County of _____, State of California.

Developer

By _____

By _____

We accept this "OFFER OF DEDICATION" made by _____ on this _____ day of _____, 20__.

BELLA VISTA WATER DISTRICT

By _____

General Manager

Note: All blanks must be completed properly, otherwise the BELLA VISTA WATER DISTRICT will not accept the Offer.

RELEASE

FOR ADEQUATE CONSIDERATION, receipt of which is hereby acknowledged, the undersigned, jointly, severally, and individually releases and forever discharges the Developer, **{Developer's Name (in CAPS)}**, and BELLA VISTA WATER DISTRICT, together with all other persons, firms, business entities, irrigation districts, and government entities whatsoever of and from any and all actions, causes of action, claims, demands, damages, stop notice actions, costs, expenses, liens, and compensation on account of or in any way growing out of the construction, installation, and work of those certain water system facilities described in the Conveyance Agreement dated _____, 20 , by and between BELLA VISTA WATER DISTRICT and the Developer named above; the project being known as **{Project known as, etc.}**, (filed in District's office as "**{District's file name}**").

Individual or Firm

(Print Name)

(Address)

(City) (State) (Zip)

By _____
(Signature)

(Title) (Date)

Note: All blanks must be completed; otherwise the BELLA VISTA WATER DISTRICT will not accept the release.

LABOR AND MATERIAL PAYMENT BOND

By this Agreement _____

Of _____, hereinafter referred

to as "Principal", and _____

of _____

(a corporation certified as a corporation admitted to do business in the State of California as a surety insurer), hereinafter referred to as "Surety" are held and firmly bound to BELLA VISTA WATER DISTRICT, hereinafter referred to as "District", and to any and all persons who perform labor upon, or furnish material to be used in, or furnish appliances, trucks, or power contributing to the work to be performed under an agreement (filed in District's office as "[District's file name]"), hereinafter specifically described in the amounts of _____ (\$ _____), for the payment of which Principal and Surety hereby bind themselves, their heirs, legal representatives, successors, and assigns, jointly and severally.

On the date of _____, 20____, Principal entered into an agreement with District for the principal purposes of constructing or providing for the construction of certain water system improvements, together with appurtenances thereto, to which agreement references are made for further particulars. A copy of the Agreement is attached hereto labeled Exhibit "A" and made a part hereof.

The condition of this obligation is that if the Principal shall promptly and faithfully make payment to all persons, firms, subcontractors, and corporations furnishing material for or performing labor thereof including all amounts due for materials, lubricants, labor, in the prosecution of the work provided for in the Agreement attached hereto as Exhibit "A" and any authorized extension or modification thereof including all amounts due for materials, lubricants, oil, gasoline, power, repairs on machinery, equipment, and tools consumed or used in connection with the construction of such work, and all insurance premiums on said work, and for all other labor, performed in such work whether by subcontractor or otherwise, then this obligation shall be void; otherwise this obligation shall remain in full force and effect.

FOR VALUE RECEIVED, the Surety hereby agrees that no change, extension of time, alteration, or addition to the terms of the Agreement attached hereto as Exhibit "A" or to the work to be performed thereunder or the specifications accompanying the same shall in any way affect the Surety's obligation on this Bond, and said Surety does hereby waive notice of any such change, extension of time, alteration, or addition or modification to the terms of the Agreement or to the work to be performed or to the specifications.

The lien claimants to whom the provisions of this Bond inure shall have a right of action to recover hereon in any suit brought to foreclose liens as provided by the Mechanics Lien Laws and Public Work Lien Laws of the State of California, or in a separate suit brought hereon. No final settlement or compromise between the District and the Developer shall abridge the right of any beneficiary hereunder to pursue such remedies as may be provided such beneficiary by California Law.

IN WITNESS WHEREOF, this Labor and Material Payment Bond is executed on the ____ day of _____, 20____. in the City of _____, County of _____, State of California.

[Seal]

"PRINCIPAL"

[Seal]

"SURETY"

State of California }
 } ss
County of _____}

Subscribed and sworn to before me this _____ day of _____, 20____, at _____, California.

Notary Public

(1) No _____

MAINTENANCE BOND

KNOW ALL MEN BY THESE PRESENTS: That we, (2) ___ hereinafter called "Principal", and (3) _____ of _____, hereinafter called "Surety", are held and firmly bound unto the BELLA VISTA WATER DISTRICT, 11368 East Stillwater Way, Redding, California 96003, hereinafter called "Obligee", in the sum of (5) _____ Dollars, (6)(\$ _____) for the payment of which, well and truly to be made, the said Principal and Surety bind themselves, jointly, severally, and firmly by these presents together with their heirs, executors, administrators, successors, and assigns.

The condition of this obligation is such that whereas, the said Principal has entered into a certain Agreement with the Obligee (filed in District's office as "{District's file name}") dated (7)____, this Maintenance Bond being Exhibit "F" of that Agreement, for the construction and the installation of water system improvements and all appurtenances thereto, the conditions of said Agreement being made a part hereof, wherein Principal agrees to repair, maintain, and remedy the water system improvements and all appurtenances for a period of one year following the date of Obligee's acceptance of the conveyance of the water system improvements and appurtenances.

NOW, THEREFORE, if the Principal shall maintain and remedy said work free from defects in materials and workmanship for a period of one year following the date on which the Board of Directors of the Obligee formally accepts conveyance of work described herein, then this obligation shall be void; otherwise, it shall remain in full force and effect.

IN WITNESS WHEREOF, this Maintenance Bond is executed on the _____ day of _____, 20____, in the City of _____, County of _____, State of California.

(Seal) _____
(If Applicable)

(8)
By _____
"PRINCIPAL"

(Seal) _____

(10) _____
(11)
By _____
"SURETY"

(12) Address _____

State of California }
 }
County of _____ }

Subscribed and sworn to before me this _____ day of _____, 20____, at _____, California.

Notary Public

- (1) Surety's Bond number for reference.
- (2) Same as "Developer" in Conveyance Agreement.
- (3) Full name of Surety Company.
- (4) State in which it was duly organized.
- (5) Amount as agreed to by District Engineer - spell out.
- (6) Numerical dollar amount.
- (7) Date of Agreement with the District.
- (8) Type or print Principals (correct) Corporate, Partnership, or individual's name, as the case may be.
- (9) Signature and seal, if applicable, must be witnessed and notarized.
- (10) Type or print Surety's corporate name.
- (11) Signature and seal must be witnessed and notarized. If signatory for Surety is Attorney-in-fact, attach the proper Power of Attorney.
- (12) Enter mailing address of Surety for purposes of giving any notice pursuant to this Maintenance Bond.

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS: That we (1) _____

_____ a (2) _____

hereinafter called "Principal" and (3) _____

of _____ State of _____ hereinafter called the "Surety", are held and firmly bound unto Bella Vista Water District, hereinafter called "Owner", in the penal sum of _____ Dollars (\$ _____) in lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS such that WHEREAS, the Principal entered into a certain agreement with the Owner, dated the _____ day of _____, 20____, a copy of which is hereto attached and made a part hereof for the construction of the _____ including all appurtenances thereto, all as set forth in the attached agreement.

NOW, THEREFORE, if the Principal shall well, truly and faithfully perform its duties, all the undertakings, covenants, terms, conditions and agreements of said agreement during the original term thereof, and any extensions thereof which may be granted by the Owner, with or without notice to the Surety, and if he shall satisfy all claims and demands incurred under such agreement, and shall fully indemnify and save harmless the Owner from all costs and damages which it may suffer by reason of failure to do so, and shall reimburse and repay the Owner all outlay and expense which the Owner may incur in making good any default, then this obligation shall be void; otherwise to remain in full force and effect.

PROVIDED, FURTHER, that the said Surety, for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder or the specifications accompanying the same shall in any way affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

PROVIDED, FURTHER, that no final settlement between the Owner and the developer shall abridge the right of any beneficiary hereunder whose claim may be unsatisfied.

IN WITNESS WHEREOF, this instrument is executed in two (2) counterparts, each one of which shall be deemed an original, this the _____ day of _____, 20_____.

ATTEST:

(Principal) Secretary

(Seal)

(Witness as to Principal) (Address)

ATTEST:

(Surety) Secretary (Seal)

(Witness as to Surety)

(Address)

Principal

By _____

(Address)

Surety

By _____
Attorney-in-Fact

(Address)

NOTE: Date of Bond must not be prior to date of Agreement.

- 1) Correct name of Developer.
- 2) A Corporation, A Partnership, or an Individual, as case may be.
- 3) Correct name of Surety.
- 4) If Principal is a Partnership, all partners must execute bond.