



**PUBLIC WATER AND SEWER IMPROVEMENT BONDING AGREEMENT FOR:
TRACT MAP No. 38200**

THIS AGREEMENT made and entered into this ____ day of _____, 20__ by and between, **GHA Enterprises, Inc.**, a California Limited Liability Corporation, (“Developer”) and the MISSION SPRINGS WATER DISTRICT, a County Water District, (“District”).

RECITALS

WHEREAS, the Developer is the owner and developer of land in the City of Desert Hot Springs, County of Riverside, State of California, generally described as follows:

See Exhibit “A” attached hereto and made a part hereof by this reference.

WHEREAS, said Developer has or will cause the recordation of a final approved map known as **Tract Map No. 38200** (“Map”), and the Map requires water and sewer improvements to facilities to be owned and maintained by the District for the proposed development project (“Project”), and;

WHEREAS, said Developer has prepared and submitted water and sewer improvement plans (“Plans”) for the Project to the District for the construction of said improvements which District has approved prior to the date of this Agreement, and;

WHEREAS, said Developer is desirous of complying with the requirements of the District, relative to the installation and payment for the water and sewer improvements provided in the Project.

AGREEMENT

NOW, THEREFORE, in consideration of the approval by the District of the proposed Plans required for the development and recordation with the County Recorder of the Map within the City of Desert Hot Springs, the Developer agrees that the foregoing Recitals are hereby incorporated by reference and it will comply with the following requirements:

Within one (1) year from the date hereof, said Developer shall cause the water and sewer improvements to be constructed in accordance with all agreements, the Plans, the Mission Springs Water District policies, rules, regulations, ordinances and resolutions and standards, the Map, the Subdivision Map Act, and all applicable state, federal and local laws, regulations, ordinances and policies, all of which are hereby incorporated herein by this reference.



Handed you herewith is a Surety Bond (Faithful Performance and Warranty a copy of which is attached hereto as Exhibit "B") executed _____ in the sum of One Million Three Hundred Twenty-Four Thousand Five Hundred Sixty dollars and no/100 (\$1,324,560.00), guaranteeing the faithful performance of this Agreement and Warranty for one (1) year from date of final acceptance by the Mission Springs Water District Board of Directors, together with a Payment Bond in the sum of One Million Three Hundred Twenty-Four Thousand Five Hundred Sixty dollars and no/100 (\$1,324,560.00), securing payment to the contractor, his subcontractors and to persons renting equipment or furnishing labor or materials for the improvements a copy of which is attached hereto as Exhibit "C"

IT IS UNDERSTOOD and AGREED, that upon completion of the work in accordance with all agreements, state, federal and local laws, regulations, ordinances and policies and acceptance thereof by the Mission Springs Water District, said Payment Bond shall be exonerated and the Faithful Performance/Warranty Bond shall continue in force for one (1) year (warranty period) after the date of final acceptance by Mission Springs Water District.

The Bonds required by this Agreement shall be kept on file with the District and they must be issued by a surety company currently admitted to transact surety insurance business in California by the California Department of Insurance, with a Best's Insurance Guide rating of no less than A:VII. The terms of any documents evidencing such Improvement Securities as set forth in this paragraph are incorporated into this Agreement by this reference as if set forth fully herein.

IN WITNESS WHEREAS, the undersigned have affixed their signatures at Desert Hot Springs, California the day and year first above written.

MISSION SPRINGS WATER DISTRICT

By: _____

Name: Brian Macy

Title: General Manager

Date: _____

DEVELOPER

Developer: GHA Enterprises, Inc.

By: _____

Name: Mario Gonzales

Title: Managing Member

Date: _____

ATTEST

By: _____

Name: Dori Petee

Title: Executive Assistant

EXHIBIT "A"

INSERT LEGAL DESCRIPTION OF PROJECT

EXHIBIT "B"

Faithful Performance and Warranty Bond

EXHIBIT “C”

Payment Bond