

CASH DEPOSIT  
TO  
SECURE FAITHFUL PERFORMANCE

This Agreement is to secure the construction of subdivision improvements between \_\_\_\_\_, (“Subdivider”) and the City of Visalia (“City”). By this Agreement the Subdivider pledges that a Cash Deposit in the amount of \_\_\_\_\_, shall be made with the City and shall be held by the City in trust for the purpose of guaranteeing the faithful performance by the Subdivider of constructing the public improvements specified in that certain subdivision known as \_\_\_\_\_. The public improvements shall be constructed in accordance with the Subdivision Improvements Agreement between the Subdivider and the City, dated \_\_\_\_\_, a copy of which is attached hereto and made a part hereof, together with any changes or alterations agreed upon in writing by the Subdivider and the City. Subdivider agrees to increase this Cash Deposit or provide additional security in an alternative form to reflect the higher estimated cost if the approved changes or alterations exceed ten percent (10%) of the original estimated cost of the public improvements as specified in the Subdivision Improvement Agreement.

The City will hold said Cash Deposit, determined to be one hundred percent (100%) of the estimated cost of said improvements, until such time that the City authorizes its release. Subdivider and City acknowledge that the funds will be available for immediate use and no interest will be due Subdivider or owed by the City on the Cash Deposit. The City shall authorize the release of the Cash Deposit that is not otherwise applied or released under this Agreement to the Subdivider after the filing of a Notice of Completion and acceptance of the public improvements described in the attached Subdivision Improvements Agreement. Prior to the completion and acceptance of the work by the City and with the written authorization of the City Engineer, said funds may be reduced as the required improvements are satisfactorily completed and tentatively accepted by the City Engineer. Any reduction in the Cash Deposit requires the separate written approval of the City Engineer.

If the Subdivider fails to complete the improvements pursuant to the Subdivision Improvement Agreement attached hereto, then the City Engineer shall submit a signed statement to the Subdivider providing notice that said improvements have not been completed to the satisfaction of the City and as required by the Subdivider pursuant to the Subdivision Improvement Agreement. The Subdivider shall complete said improvements within thirty (30) days of receiving said statement from the City Engineer or the Subdivider shall submit a written request for a time extension in accordance with the applicable City of Visalia Subdivision Improvement Agreement Time Extension Request process within thirty (30) days. If the Subdivider is not granted time extension or fails to comply with the revised construction schedule, then the Subdivider agrees the Cash Deposit shall be released by the City to complete said improvements. No further notice is required by the City to the Subdivider for the City to use the Cash Deposit to complete the improvements and no additional permission from the Subdivider will be required for the Cash Deposit to be used for completing the improvements.

The City agrees that if Subdivider fails to perform and the Cash Deposit is spent by the City to complete the improvements, then the Cash Deposit shall be used solely for the purpose of completing said improvements, and for no other purpose. Upon completion of the improvements, in accordance with the Subdivision Improvement Agreement attached hereto, and the acceptance thereof by the City Engineer, any portion of said Cash Deposit, minus those additional expenses described below, remaining shall be returned to the Subdivider or his

assignee. The City shall keep records of the how Cash Deposit was spent to complete the improvements.

This Agreement may be modified or revoked only with the written consent of both the Subdivider and the City.

The Subdivider acknowledges that the City shall be entitled to recover its costs and reasonable expenses, including reasonable attorney's fees, incurred in connection with the enforcement of the Subdivider's agreements herein. The undersigned Subdivider agrees to pay all expenses in connection herewith and that any portion of the Cash Deposit not used for completion of the public improvements may be used to reimburse the City for these costs and expenses.

The undersigned hereby agree to all of the above terms and conditions of this Agreement in regards to a Cash Deposit made for the purpose of guaranteeing faithful performance of the construction of specified public improvements.

CITY OF VISALIA

SUBDIVIDER

By \_\_\_\_\_  
Douglas S. Damko for City Engineer

By \_\_\_\_\_  
Signature

Print Name: \_\_\_\_\_