

CITY OF FAIRFIELD IMPROVEMENT AGREEMENT

Downtown Fairfield Justice Campus Offsite Sanitary Sewer Improvements Solano County

THIS IMPROVEMENT AGREEMENT ("Agreement") dated _____, 2026 ("Effective Date") is made and entered into by and between the CITY OF FAIRFIELD, a municipal corporation, hereinafter referred to as "City," the FAIRFIELD-SUISUN SEWER DISTRICT, a special district organized and existing under the laws of the State of California, hereinafter referred to as District, and the COUNTY OF SOLANO, a political subdivision of the State of California, hereinafter referred to as "County," referred to together herein as "Parties" or individually as "Party." The purpose of this Agreement is to set forth the respective obligations of the Parties with respect to coordination and discretionary approvals by the involved public entities relating to the proposed County Improvement.

RECITAL:

- A. County has presented to City a plan for a sewer improvement project (the "Improvement") located within the corporate limits of City, the plan having been prepared in accordance with the requirements of the Director of Public Works or their designee ("City Engineer") and the General Manager for the Fairfield-Suisun Sewer district or their designee ("District Engineer").

AGREEMENTS:

The Parties hereto agree as follows:

1. The General Contractor: The City acknowledges and agrees that the County is not a licensed contractor, but that the County intends to contract with a licensed general contractor (the "General Contractor") who will construct and install the Improvement. The contract between the County and General Contractor for completion of the Improvement is referred to herein as the Construction Contract.
2. Performance of Work: Subject to the prior receipt of all required approvals, permits, entitlements, and authorizations from the City and any other applicable public agencies, County agrees to furnish, construct, and install at its own expense, or cause to be furnished, constructed, and installed, all the Improvement, as shown on the plans and specifications, a copy of which is on file in the Office of the City Engineer and is incorporated herein by reference, along with any changes and modifications as may be required by the City Engineer due to errors or omission on the plans.
3. Work; Satisfaction of the City Engineer: All of the work on the Improvement is to be done at the places, with the materials, and in the manner and at the grades, all

as shown on the approved plans and specifications and the City's Standard Specifications and Details as authorized via Fairfield City Council Resolution 2014-93, and to the satisfaction of the City Engineer and District Engineer.

4. Work; Time for Commencement and Performance: The Parties agree that County will perform the work according to the construction schedule attached as Exhibit A. At least fifteen (15) calendar days prior to the commencement of the work, the County shall notify the City Engineer in writing of the scheduled start date. This notice will allow the City Engineer to arrange inspection services and to hold a pre-construction meeting between the Parties.
5. Time of Essence; Extension: Time is of the essence in this Agreement, but the dates for commencement and completion of the work of construction may be extended pursuant to Section 6 of this Agreement. The City Engineer shall be the sole and final judge as to whether good cause has been shown to entitle County to an extension. Extensions shall not be unreasonably withheld.
6. Request for Extension; Granting: Requests for extension of commencement and completion date shall be in writing and shall be delivered to the City in the manner hereinafter specified for services of notices. Extensions, if granted, shall be in writing; an oral extension shall not be valid for any purpose whatsoever.
7. Extension; No Release of Obligations: In the event it is deemed necessary by the City to extend the time of commencement or completion of the work to be done under this Agreement beyond the dates specified herein, such extension as shall be granted shall in no way release any guarantee given by the County pursuant to this Agreement, or to relieve or release those providing improvement security pursuant to this Agreement. The sureties in executing the bonds shall be deemed to have expressly agreed to any such extension of time.
8. Extension; Conditions: The granting of any extension may be conditioned upon the County providing the City with new or amended surety bonds in amounts increased to reflect increases in the costs of constructing the Improvement that have occurred prior to the granting of the extension or are likely to occur prior to the completion of work.
9. Improvement Security: Concurrently with the execution hereof, County shall furnish City:
 - (a) Improvement security in the sum of \$4,041,400, which sum is equal to one hundred ten percent (110%) of the estimated cost of constructing the Improvement, rounded up, and the cost of any other obligation to be performed by County hereunder, securing the faithful performance of this Agreement.
 - (b) Separate improvement security in the sum of \$2,020,700, which sum is equal to fifty-five percent (55%) of the estimated cost of constructing the Improvement, securing payment to the General

Contractor, its subcontractors, and to person furnishing labor, materials, or equipment to them for the construction Improvement.

- (c) The form of the improvement security shall be subject to the approval of the City Attorney. Improvement security shall be reduced or released by the City only in the manner provided by the ordinances of the City. No change, alteration, or addition to the terms of this Agreement or the plans and specifications accompanying the same shall in any manner affect the obligation of those providing improvement security pursuant to this Agreement.

10. Engineering and Inspection Fee: The County shall:

- (a) Pay to the City an engineering plan check fee of 1.35% of the total cost of the Improvement, as estimated by the City Engineer, less the initial plan check fee of one percent (1%) of the total cost paid upon submittal of improvement plans, rounded to the nearest whole number. The total amount of this fee due is:

$$(1.35\% \times \$3,674,000) = \$49,599.$$
- (b) Pay to the City an engineering and inspection fee of five and a half percent (5.5%) of the total cost of the Required Improvements, rounded to the nearest whole number, as estimated by the City Engineer, being:

$$(5.5\% \times \$3,674,000) = \$202,070.$$
- (c) Fee includes only items of work to be inspected by the City. It is understood that such fee covers only those inspections and engineering work performed by the City during the normal working hours of the City.

11. Hold Harmless Agreement:

- (a) County will indemnify, hold harmless and assume defense of, in any actions of law or in equity, the City of Fairfield, Fairfield-Suisun Sewer District, officers, employees, agents, and elective and appointive boards from all claims, losses, damage, including property damage, personal injury, including death, and liability of every kind, nature and description, directly or indirectly arising from the operations of General Contractor or any subcontractor, or of any person directly or indirectly employed by, or acting as agent for General Contractor or any subcontractor, but not including the sole or active negligence or willful misconduct of the City of Fairfield or the Fairfield-Suisun Sewer District. This indemnification shall extend to claims, losses, damages, injury and liability for injuries occurring after completion of the work as well as during the work's progress.
- (b) Acceptance of insurance certificates required under this Agreement does

not relieve General Contractor from liability under this indemnity and hold harmless clause. This indemnity and hold harmless clause shall apply to all damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any of County's, its General Contractor's or any subcontractor's operations regardless of whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

- (c) The City and the District will indemnify, hold harmless and assume defense of, in any actions of law or in equity, the County of Solano, its officers, employees, agents, and elective and appointive boards from all claims, losses, damage, including property damage, personal injury, including death, and liability of every kind, nature and description, directly or indirectly arising from the operations of the County of Solano, General Contractor or any subcontractor, or of any person directly or indirectly employed by, or acting as agent for the County of Solano, General Contractor or any subcontractor, but not including the sole or active negligence or willful misconduct of the County of Solano. This indemnification shall extend to claims, losses, damages, injury and liability for injuries occurring after completion of the work as well as during the work's progress.

- 12. Limitation of Liability: To the extent permitted by law, in no event will the Parties or any of their contractors or suppliers be liable under or in connection with this Agreement under any legal or equitable theory, including breach of contract, tort (including negligence), strict liability, and otherwise, for any consequential, incidental, indirect, exemplary, special, or punitive damages. This limitation includes the cost or replacement goods or services regardless of whether Parties were advised of the possibility of such losses or damages, or such losses or damages were otherwise foreseeable. The parties agree that the limitations and exclusions of liability and disclaimers specified in this agreement will survive termination. Notwithstanding the foregoing limitation, nothing in this Section 12 shall limit or exclude either Party's liability for:

- (a) Direct damages, including the actual costs of repair, replacement, cleanup, or remediation;
- (b) Any amounts owed under Section 11;
- (c) Any obligations under Section 25; or
- (d) Any liability that cannot be limited or excluded under applicable law

- 13. Waiver of Warranties:

- (a) General Disclaimer: Except as required by applicable law, Parties will not be responsible or liable for any inaccuracies in the data or the information provided under or in connection with this Agreement, all warranties, express or implied, statutory or otherwise, including without limitation, any warranty of fitness for a particular purpose, merchantability, good and workmanlike product or service or

otherwise, are disclaimed by the Parties for any work, opinion, or information provided pursuant to or in connection with this Agreement.

- (b) Preservation of Statutory Obligations. Nothing in this Agreement shall be construed to waive, limit, or disclaim any warranty, duty, or obligation imposed by California law.
- (c) Contractor Warranties Preserved. This section does not affect the General Contractor's warranties regarding workmanship and materials as required by Section 17 of this Agreement and applicable law.

14. Contractor's Insurance: The County shall not commence work under this Agreement or permit its General Contractor or any subcontractor to commence work thereunder until County shall have obtained or caused to be obtained all insurance required under this paragraph and such insurance shall have been approved by the City Engineer of City as to form, amount, and carrier. The insurance shall be maintained in force and effect until the completion of work under this Agreement and the acceptance thereof by the City. All requirements herein provided shall appear either in the body of the insurance policies or as endorsements and shall specifically bind the insurance carrier.

- (a) WORKER'S COMPENSATION INSURANCE: The County shall obtain and maintain (or cause to be obtained and maintained) workers' compensation insurance for all the County and General Contractor employees employed at the site of improvement. Proof of a qualified self-insurance program is acceptable. County shall require any subcontractor similarly to provide workers' compensation insurance for all of the subcontractor's employees, unless such employees are covered by the protection afforded by the County or the General Contractor. In case any class of employees engaged in work under this Agreement at the site of the project is not protected under any workers' compensation law, the County shall provide and shall cause General Contractor and each subcontractor to provide, adequate insurance for the protection of employees not otherwise protected. County hereby agrees to indemnify the City for any damage resulting to it from failure of General Contractor or any subcontractors to take out or maintain such insurance. The County shall provide the City Engineer with a certificate of insurance indicating workers' compensation coverage prior to engaging in any activity required by this Agreement.

15. Liability Insurance: The County shall be responsible for maintaining a program of insurance or self-insurance, or any combination thereof, that shall cover its indemnification obligations as set forth in this Agreement. The County shall provide the City with certificates of self-insurance, or other documentation, which details the scope, limits, and forms of the County's self-insurance coverage. The County agrees to provide the City with written notification of any changes in coverage applicable to this Agreement and shall do so within 30 days of the change or within ten days in the event the change results in the termination of coverage(s) applicable to this Agreement.
16. Title to Improvements: Title to and ownership of all improvements constructed hereunder shall vest absolutely in the City and the District upon completion and acceptance of such improvements by City.
17. Repair or Reconstruction of Defective Work: If, within a period of one year after final acceptance of the work performed under this Agreement, any improvement or part of any improvement furnished and/or installed or constructed, or caused to be installed or constructed by County, or any of the work done under this Agreement fails to fulfill any of the requirements of this Agreement or the specifications referred to herein, the County shall without delay and without any cost to the City or District, repair or replace or reconstruct, **or cause to be repaired or replaced or reconstructed**, any defective or otherwise unsatisfactory part or parts of the work or structure. Should the County fail to act promptly or in accordance with this requirement, or should the exigencies of the case require repairs or replacements to be made before County can be notified, the City or District may, at option, make the necessary repairs or replacements or perform the necessary work, and County shall pay to the City or District, as applicable the actual cost of such repairs.
18. Neither County nor General Contractor Are Agent of City or District: Neither the County nor General Contractor nor any of the County's or General Contractor's agents or subcontractors are or shall be considered to be agents of the City or District in connection with the performance of the obligations under this Agreement.

19. Remedies for Breach of Agreement: Should any Party form the opinion that another Party has breached, or is about to breach, any term of this Agreement, the Party concerned with the actual or potential breach shall notify the other Party of its concern in writing (email permitted) within ten days of learning of the alleged breach or anticipated breach. Upon receipt of notice, the Party accused shall have fifteen days to cure the alleged breach. The alleging Party shall not unreasonably refuse to accept a timely and adequate cure.
20. Remedies if Party Fails to Undertake an Obligation Under this Agreement: If, after fifteen days of communication and receipt of the notice described in Section 19, the alleged breach has not been cured or avoided to the satisfaction of the Party asserting it, and a breach is determined to have occurred, the Party alleging it may seek judicial remedies by filing a breach of contract action in the Solano County Superior Court. Specific performance shall be the exclusive remedy for any proven breach, as determined by the Superior Court or of an appeal by a court of higher authority. This Agreement shall be admissible in any proceeding for its enforcement in accordance with Section 1118 and 1123 of the California Evidence Code.
21. Notice of Breach and Default: Subject to sections 2 and 19 above, if County refuses or fails to obtain prosecution of the work, or any severable part thereof, with such diligence as will ensure its completion within the time specified, or any extension thereof, or fails to obtain completion of the work within such time, or if County should be adjudged a bankrupt, or County should make a general assignment for the benefit of County's creditors, or if a receiver should be appointed in the event of County's insolvency, or if County or its General Contractor or any of its subcontractors, agents, or employees should violate any of the provisions of this Agreement, City Engineer may serve written notice upon County and County's surety of breach of this Agreement, or of any portion thereof, and of default of County hereunder.
22. Breach of Agreement; Performance by Surety or City: In the event of any such notice in Section 21, the County's surety shall have the duty to take over and complete the work and the improvement herein specified; provided, however, that if the surety within fifteen (15) days after the serving of such notice of breach upon it does not give City written notice of its intention to take over the performance of the contract, and does not commence performance thereof within fifteen (15) days after notice to City of such election, the City may take over the work and prosecute the same to completion by contract, or by any other method City may deem advisable, for the account and at the expense of the County, and the County's surety shall be liable to City for any excess cost of damages occasioned City thereby; and in such event, City, without liability for so doing, may take possession of and utilize in completing the work, such materials, appliances, plant and other property belonging to County or its General Contractor as may be on the site of the work and necessary therefor. County shall cause the

Construction Contract to include a provision implementing the rights of City pursuant to Section 18.

23. Notices: All notices herein required shall be in writing, and delivered in person or sent by registered mail, prepaid postage.

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

Fairfield City Hall, Attn: City Engineer

1000 Webster Street

Fairfield, CA 94533

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

Fairfield-Suisun Sewer District, Attn: General Manager

1010 Chadbourne Road

Fairfield, CA 94534

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

General Services Dept., Attn: Capital Projects Manager

County of Solano County

675 Texas Street, Suite 2500

Fairfield, CA 94533

Notices required to be given to surety of County shall be addressed as follows:

General Services Dept., Attn: Capital Projects Manager

County of Solano County

675 Texas Street, Suite 2500

Fairfield, CA 94533

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

24. Oversizing: Public improvement oversizing and/or reimbursement as defined in City Code Chapter 6B, Chapter 10, Article IV, Sections 10.56 through 10.65; and Chapter 25, Article III, Section 25.166.79 through 25.166.81 is not applicable.

25. Pollution Liability: The County shall be responsible for all impacts from sanitary sewer spills associated with construction, including bypass pumping and flow diversion operations. The County's liability for such sanitary sewer spills shall include, without limitation, cleanup and repair costs and any fines imposed by local, state or federal regulatory agencies in connection with such sanitary sewer spills. To the fullest extent permitted by law, the County shall also indemnify, defend and hold City and District harmless from any and all claims, arising out of or related to, in whole or in part, sanitary sewer spills from the Improvement. City's and District's approval of submitted plans for sewer connection and temporary rerouting shall in no way relieve the County of their responsibility for the protection of adjacent properties, downstream drainage systems, and water tributaries against sewage spill. Any litigation, claims, fines, etc. associated with any sewage spill shall be the responsibility of the County.
26. Additional Terms and Conditions: This Agreement is subject to the following additional terms and conditions (except as specifically provided otherwise):
- (a) Conditions of Improvement: Following the construction of sewer improvements and prior to approval of the right-of-way vacation for Clay Street, the County shall:
 - i. Provide public service easements on Clay Street and Delaware Street, that includes the Clay Street Ditch. The Clay Street ditch and sewer utilities will remain City-maintained.
 - ii. Construct public storm drain system in Texas Street and Clay Street, rerouting the public storm drain system within the County property.
 - iii. Remove or abandon the three (3) sewer manholes in the existing levee. If manholes cannot be removed, they should be abandoned by CIPP lining the manholes and filled with material approved by the City.
 - iv. Privatize the public on-site water main by installing backflow preventers at the West Texas and Union Avenue right-of-way. Onsite water meters will remain City-maintained.
 - v. Take maintenance responsibility of the streetlights along Clay Street.
 - vi. Provide City and FSSD access to the future vehicular gates to be installed in Clay Street and Delaware Street. FSSD and City requires "nose-in," no turnaround access through Clay Street and Delaware Street. County shall construct vehicle turnaround/cul-de-sac at the vehicle gate in Clay Street.
 - vii. Construct two (2) new driveways, per the City standards, on Clay Street for City vehicles to access the ditch.
 - viii. Install street signage noting Clay Street and Delaware Street are

not through streets.

- ix. Submit to City a draft maintenance agreement, for execution between the County and the City, outlining limits of responsibility:
 - City = Clay Street ditch; sewer main within Clay Street; backflow preventers; and onsite water meters.
 - County = storm drain pump station; Clay Street and Delaware Street roadways; streetlights; and security fencing.
27. Prohibited Interest: No employee of the City shall have any direct financial interest in this Agreement. This Agreement shall be voidable at the opinion of the City if this provision is violated.
28. Local Employment Policy: The City of Fairfield desires, wherever possible, to hire qualified local residents to work on city projects. Local resident is defined as a person who resides in Solano County.
The City encourages an active local employment preference program on the part of its contractors, consultants, and the County. When local projects require, subcontractors, contractors, consultants, and County will solicit proposals from qualified local firms where possible.
29. Prevailing Wage Policy: County shall ensure or cause to be ensured that all work performed under the Construction Contract complies with California prevailing wage requirements pursuant to Labor Code sections 1720 et seq., including but not limited to registration, certified payroll, and posting requirements.
30. Governing Law and Venue: This Agreement shall be interpreted and governed according to the laws of the State of California. In the event of litigation between the Parties, venue, without exception, shall be in the Solano Superior Court of the State of California. If, and only if, applicable law requires that all or part of any such litigation be tried exclusively in federal court, venue, without exception, shall be in the Eastern District of California.
31. Severability: If any provision of this Agreement, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this Agreement.
32. Warranty of Authority: Each of the person signing this Agreement represents and warrants that such person has been duly authorized to sign this Agreement on behalf of the Party indicated, and each of the Parties by signing this Agreement warrants and represents that such Party is legally authorized and entitled to enter into this Agreement.
33. Entire Agreement: This Agreement constitutes the entire agreement between the Parties. No other promises, agreements, or statements between the Parties shall

be binding unless made in writing and signed by all Parties hereto. Each Party acknowledges that no other Party, nor any agent or attorney of any other Party, has made any promise, representation, or warranty whatsoever, express or implied, that is not expressly contained in this Agreement. Each Party further acknowledges that it has not executed this Agreement in reliance upon any collateral promise, representation, or warranty.

34. Amendments: This Agreement cannot be changed or supplemented orally and may be modified or superseded only by written instrument executed by all Parties.
35. Cooperation: The Parties agree to do all things necessary, and to execute all further documents necessary and appropriate, to carry out and effectuate the terms and purpose of this Agreement.
36. Termination: This Agreement shall continue in effect from its Effective Date until the earlier of the following dates: a) the first date when all of the Parties' obligations under this Agreement have been fully satisfied; or b) the Parties agree in writing to terminate this Agreement.
37. Binding Effect: This Agreement is for the benefit of and shall be binding on all Parties and their successors, assigns, heirs, executors, administrators, predecessors, partnerships, employees, attorneys, insurers, sureties, agents, representatives, directors, officers, receivers, trustees, and stockholders.
38. Execution in Counterparts: This Agreement may be executed in several counterparts and shall be deemed legally effective at such time as counterparts thereof duly executed on behalf of all Parties have been furnished and delivered to the attorneys for the Parties to this Agreement. Signed copies and facsimile versions of this Agreement shall have the same force and effect as signature of the original. Signatures may be transmitted electronically.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date set forth opposite its respective signatures.

Dated: _____

City of Fairfield,
a municipal corporation

ATTEST:

By: _____
City Clerk

By: _____
City Manager

Fairfield-Suisun Sewer District
a California special district

Dated: _____

By: _____
General Manager/District Engineer

Solano County
a political subdivision of the State of California

Dated: _____

By: _____
Name: Anthony Tave
Title: Director of General Services

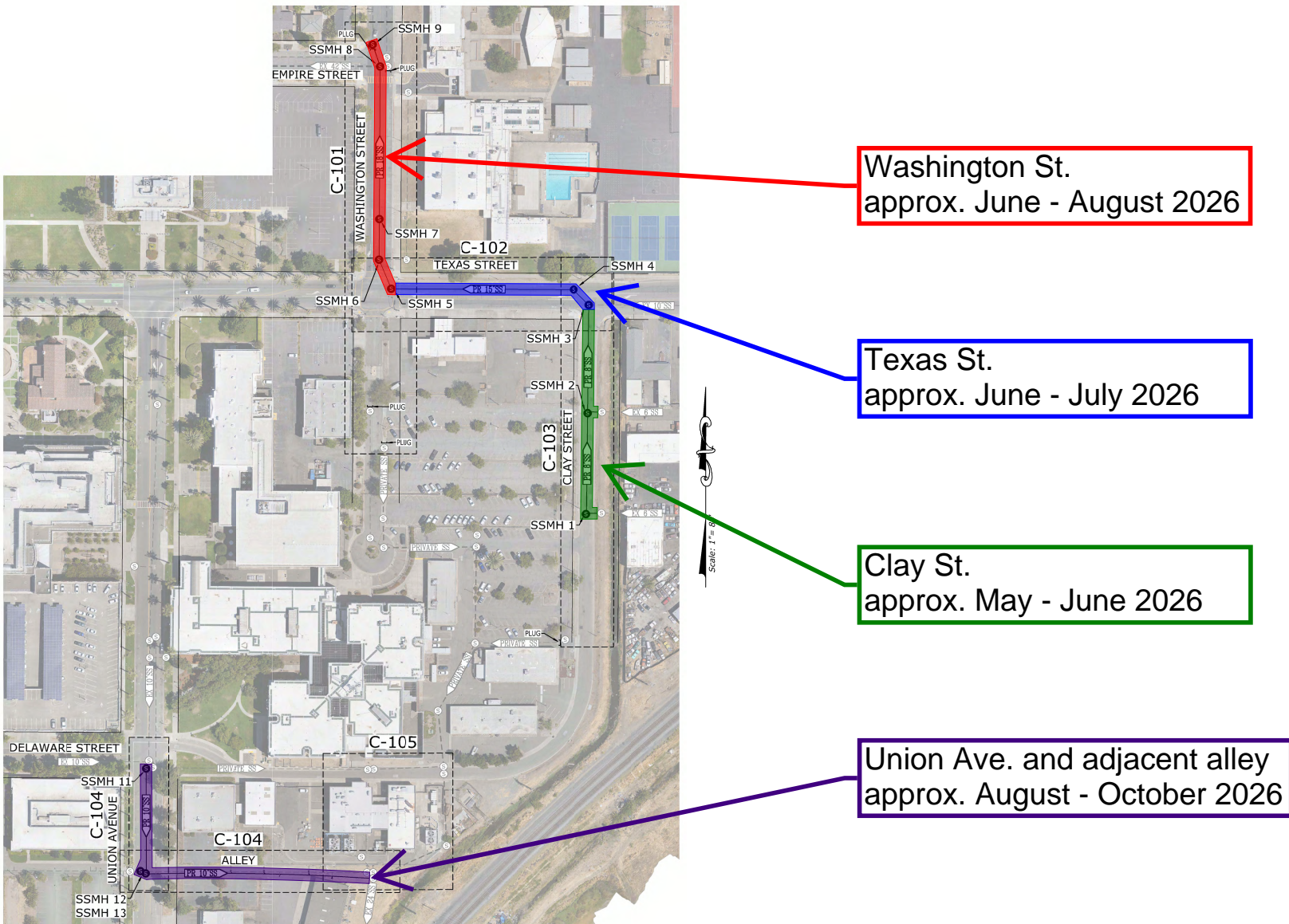


Exhibit B

IMPROVEMENT AGREEMENT CHECK LIST

SUBDIVISION: Sewer Improvement ProjectOWNER: Solano CountyADDRESS: General Services Department, 675 Texas Street, Suite 2500, Fairfield, 94533COUNCIL MEETING DESIRED: January 20th, 2026SUBMISSION DEADLINE: 12 PM, December 17th, 2025

DESCRIPTION	QUANTITY	UNIT COST	AMOUNT	RECD BY	DATE
Plan Check Fee (less initial PC)	1.35%	\$3,674,000	\$28,889		
Engineering/Inspection Fee	5.5%	\$3,674,000	\$202,070		
FSSD Plan Check Fee	1	N/A	N/A		
		TOTAL:	\$230,959		
Civil Engineer's Estimate			\$3,674,000		
Faithful Performance Bond	110%		\$4,041,400		
Labor and Materials Bond	55%		\$2,020,700		
Insurance Certificate			\$3 Million		
Signed Agreement					
Construction Plans					

Executed Copies Provided to: City
Manager
City Engineer
County Capital Projects Manager