REGIONAL TRANSPORTATION COMMISSION
Public Transportation • Streets and Highways • Planning

February 10, 2014

Mr. John Martini
City of Sparks
431 Prater Way
Sparks, Nevada 89431

SUBJECT: Capital Contribution Front Ending Agreement (CCFEA) with Rising Tides, LLC (Developer of Record) for the offered capacity improvements to be made to Lazy 5 Parkway and David Allen Parkway

Dear John:

Please submit this as an agenda item for the next City Council meeting. This CCFEA was presented to the RTC Board at the June 21, 2013 meeting. Enclosed for your information is a copy of the CCFEA and project location map.

RECOMMENDATION

It is recommended that Sparks City Council approve a Capital Contribution Front Ending Agreement (CCFEA) with Rising Tides, LLC. (Developer of Record) and the Regional Transportation Commission (RTC) for the offered capacity improvements made to the Lazy 5 Parkway and David Allen Parkway, and, further, authorize the Mayor to execute said agreement.

SUMMARY

Under the Regional Road Impact Fee (RRIF) Program, developers who build and/or donate right-of-way (ROW) for capacity improvements contained in the RRIF Capital Improvement Program (RRIF CIP) will be "paid" for these contributions in fee credits. To do this, the Developer of Record must enter into a CCFEA with the RTC and the local government that will own said right-of-way. The CCFEA specifically identifies the offered capacity improvements made to Lazy 5 Parkway and David Allen Parkway, the estimated credits that will be earned, requirements for quality control/quality assurance, and the duties and responsibilities of each party. The CCFEA being authorized by this action covers the right-of-way dedication and roadway improvements for Lazy 5 Parkway and David Allen Parkway and will result in $4,084,527.00 in RRIF credits being issued to the Developer of Record.

BACKGROUND

In the creation of the RRIF, it was recognized that a number of the projects included in the RRIF CIP would be constructed as part of private sector land development activities. Under NRS 278B, which is the enabling statute for impact fees, developers subject to impact fees who build facilities for which the impact fee is being collected are entitled to credits. The mechanism for doing this under the RRIF program is the CCFEA. In order to obtain impact fee credits, a developer is required to enter into a CCFEA with both the RTC and the local government that will own and operate the completed facility.

RTC Board: Bonnie Weber (Chair) · Sharon Zadra (Vice Chair) · Neoma Jardon · David Humke · Ron Smith
PO Box 30002, Reno, NV 89520 · 2050 Villanova Drive, Reno, NV 89502 · 775-348-0400 · rtcwashoe.com

Under the RRIF program, there are no cash reimbursements to the developer for the improvements made. Payment is made with RRIF credits that can then be used to pay impact fees.

Kiley Ranch Communities initially entered into a CCFEA with the RTC and City of Sparks for right-of-way dedication and construction of Lazy 5 Parkway and David Allen Parkway on November 30, 2007. While construction was completed in 2008, dedication of right-of-way for each roadway was never offered by Kiley Ranch Communities to the City of Sparks. As such, the terms of the CCFEA were not met and the CCFEA was terminated in 2012.

In late 2011, the majority of the Kiley Ranch North New Urban District was purchased by Rising Tides, LLC including Lazy 5 Parkway and David Allen Parkway. As part of securing the development of a major medical complex within the Kiley North New Urban District, Rising Tides, LLC dedicated the right-of-way, including all improvements, for David Allen Parkway and Phase 1 of Lazy 5 Parkway to the City of Sparks. With the dedication of right-of-way and improvements, Rising Tides, LLC has requested that the RTC and City of Sparks enter into a CCFEA to provide Rising Tides, LLC with RRIF credits equal to the value of the dedicated infrastructure. In an effort to determine a reasonable value for the dedicated infrastructure, costs were estimated using typical unit costs determined by the RTC in establishing the 4th Edition Capital Improvement Plan for the Regional Impact Fee Program (RRIF CIP – December 3, 2007). Final eligible costs include a reduction of 30% in estimated value due to the time lapse between completion of construction and dedication of improvements.

If we can be of any further assistance, please do not hesitate to contact Julie Masterpool, RRIF Program Manager, at (775) 335-1897.

Sincerely,

Jeffrey D. Hale, P.E.
Engineering Director/RTC RRIF Administrator

JDH/JDM/yer
Enclosures

xc: Julie Masterpool, RTC Engineering

Lazy 5 Parkway & David Allen Parkway
Right of Way Dedication and Construction

CAPITAL CONTRIBUTION FRONT-ENDING AGREEMENT
CCFEA # 521023

BETWEEN

THE REGIONAL TRANSPORTATION COMMISION,
A special purpose unit of the Government

And

CITY OF SPARKS
a Municipal Corporation

And

Rising Tides, LLC

Developer of Record

For

Kiley Ranch North Development

Development of Record

Northeast Benefit District

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CAPITAL CONTRIBUTION FRONT-ENDING AGREEMENT

This Capital Contribution Front-Ending Agreement ("CCFEA") is entered by and between the REGIONAL TRANSPORTATION COMMISSION (hereinafter designated "RTC"), a special purpose unit of Government; CITY OF SPARKS, a municipal corporation, (hereinafter designated "Local Government"); and KM2 Development, Inc. (hereinafter designated "the Developer of Record").

1. **General**

1.1 **Ordinance, Manual and CIP**. The City of Sparks, the City of Reno, Washoe County, and RTC have entered into an Interlocal Cooperative Agreement for the purposes of implementing the Regional Road Impact Fee ("RRIF") Program. The Local Government has passed a Regional Road Impact Fee Ordinance ("Ordinance") to implement the RRIF. RTC and the Local Government have adopted the Regional Road Impact Fees General Administrative Manual, Current Edition ("Manual"), specifying the provisions and procedures for administration of the RRIF, as well as the Regional Road Impact Fee System Capital Improvement Plan ("CIP") Current Edition, identifying the regional streets and improvements which shall be constructed in whole or in part with funds generated from the RRIF. The terms and provisions of the Manual and the CIP are incorporated herein by reference as if fully set forth. All capitalized terms herein shall have the definitions and meanings as used in the Ordinance, Manual and CIP. Amendments approved by the RTC and local governments are incorporated by reference to the same extent as if set forth in full herein.

1.2 **Basis for this CCFEA.** The parties intend this CCFEA to be a Capital Contribution Front-Ending Agreement as provided in Section X of the Manual, to provide for credit ("Credit") for eligible contributions of developers under the CIP for construction and/or right-of-way ("ROW") dedication of Non-Site Related Regional Road Capital Improvements ("Improvements") which may then be used for the payment of fees due under the RRIF. Section X of the Manual contains specific provisions pertaining to this CCFEA and is attached hereto and incorporated herein as Exhibit "A".

1.3 **Effective Date of CCFEA.** This CCFEA shall be binding and effective as of the last date of execution below.

1.4 **Eligibility of Improvements.** The improvements are street improvements and/or dedicated ROW to the regional system and have been identified by the Local Government Administrator as being included in the CIP Appendix "D", category titled "Roads and Ramps" and Appendix "E", category titled "Intersections".

2. **The Development of Record and Offered Improvements.**

2.1 **Description of the Development of Record.** The Development of Record for which the Credits from Improvements shall be issued is known as Kiley Ranch North Development. The Developer of Record owns the entire Development. A site plan of the Development of Record is attached hereto as Exhibit "B".

2.2 **Offered Improvements.**

2.2.1 **Description of Offered Improvements.** The Developer of Record has submitted an application shown herein as Exhibit "C" describing the specific offered Improvements which they propose to construct and/or dedicate. The offered Improvements are generally described as Lazy 5 Parkway and David Allen Parkway Right of Way Dedication and Construction. The RTC Administrator and Local Government Administrator have approved the application, subject to the limitations set forth in the letter of approval incorporated herein as Exhibit "D".

2.2.2 **Completion and Acceptance of Offered Improvements.** Unless extended by written consent of the RTC Administrator, all offered Improvements, shall be completed to the reasonable satisfaction of the RTC Administrator and the Local Government Administrator within one (1) year of the date of the CCFEA. The offered Improvements shall be accepted by the Local Government Administrator and the RTC Administrator upon correction by the Developer of Record of any identified deficiencies to the satisfaction of the Local Government Administrator and the RTC Administrator. Acceptance of the offered Improvements by the Local Government Administrator and the RTC shall not be unreasonably withheld. Any real property the Developer of Record proposes to offer for dedication pursuant to Section X.D.4.d.(3) of the Manual shall be deemed, for purposes of establishing the value of said right-of-way, to have been dedicated sixty (60) days following the execution of the CCFEA by the Developer of Record or actual acceptance of any "offer of dedication" from the Developer of Record by the Local Government, whichever is earlier.

2.2.3 **Design and Construction Standards.** All design and construction of the offered Improvements shall be in accordance with the latest edition of the Standard Specifications for Public Works Construction ("Standard Specifications"), including any addenda, as adopted by the Local Government and modified by the Special Technical Specifications ("STS") as prepared by RTC and contained herein as part of Exhibit "E". Additionally, all design and construction of offered Improvements shall be in accordance with all policies of the RTC, including the latest version of the following: Policy for the Street and Highway Program, RRIF CIP, and Traffic Noise Mitigation Policy Report, all incorporated herein as if fully set forth. In the case of conflicting standards, the conflict shall be brought to the immediate attention of the RTC Administrator who shall, in conjunction with the Local Government Administrator, resolve the discrepancy within five (5) working days.

2.2.4 **Quality Assurance/Quality Control (QA/QC).** In making the offered Improvements, the Developer of Record shall institute a QA/QC Program meeting the requirements of Exhibit "E". The Developer of Record may utilize an alternate QA/QC Program with the approval of the RTC Administrator and Local Government Administrator.

2.2.5 **Warranty.** The Developer of Record shall warrant all materials and workmanship of the offered Improvements in accordance with the provisions of the latest edition of the Standard Specifications. The Developer of Record is directed in particular to Section 117.00 which is contained herein as Exhibit "F".

3. **Credits.**

3.1 **The Developer of Record Credit Entitlements.** Rising Tides is the Developer of Record for the Development to which the offered Improvements are related and the parties to whom all Credits earned under this CCFEA shall be issued.

3.2 **Credits are Personal Assets of The Developer of Record.** The parties agree that all Credits received pursuant to this CCFEA shall be the personal assets of the Developer of Record.

3.3 **Credit Usage and Transferability.** The usage and transferability of credits earned under this CCFEA are as follows:

3.3.1 Credits earned under this CCFEA may be used by the Developer of Record to pay for up to 100% of the fees due under the RRIF on any traffic generating development of land included in the Development of Record.

3.3.2 Credits earned under this CCFEA may be used by the Developer of Record to pay for up to 100% of the fees due under the RRIF on any traffic generating development within the same benefit district as the Development of Record.

3.3.3 Credits earned under this CCFEA are transferable to a third party.

3.3.4 Credits earned under this CCFEA may be used by a third party to pay for up to 100% of the fees due under the RRIF on any traffic generating development of land included in the Development of Record.

3.3.5 Credits under this CCFEA may be used by a third party to pay for up to 50% of the fees due under the RRIF on any traffic generating development within the same benefit district as the Development of Record.

3.3.6 Credits earned under this CCFEA may not be used outside of the benefit district in which the Development of Record lies.

3.4 **Interim Credits.** The Developer of Record shall be entitled to apply for and receive credits for satisfactorily completed portions of the offered Improvements according to the schedule at Exhibit "G". This provision shall in no way be construed as constituting acceptance in whole or part of any of the offered improvements.

3.5 **Final Credit Determination.** The final determination of Credits shall be calculated by the RTC Administrator after consultation with the Local Government Administrator within thirty (30) calendar days of final acceptance of the offered Improvements by the RTC Administrator and the Local Government Administrator and submission by the Developer of Record of all documentation required by the RTC Administrator to make said final determination. The RTC Administrator shall issue a written

instrument identifying the respective Credits to the Developer of Record within three (3) working days of the earlier to occur of the following:

3.5.1 the date the appeal period of the final determination expires;

3.5.2 the date the Developer of Record waives in writing the appeal period, or;

3.5.3 in the event of an appeal, the date of a final decision on all issues on appeal.

3.6 **Expiration of Credits.** All credits issued under this CCFEA shall expire exactly **twenty (20)** years after the date of execution of this agreement.

4. **Miscellaneous** The parties further agree as follows:

4.1 **Governing Law: Venue.** This CCFEA is being executed and delivered in Washoe County, Nevada, and is intended to be performed in the State of Nevada, and the laws of Nevada shall govern the validity, construction, enforcement and interpretation of this CCFEA. Venues for any legal action arising out of this CCFEA shall be in Washoe County, Nevada.

4.2 **Entirety and Amendments.** This CCFEA embodies the entire CCFEA between the parties and supersedes all prior agreements and understandings, if any, relating to the Property, and may be amended or supplemented only by an instrument in writing executed by the party against whom enforcement is sought, provided that nothing contained in Subsection 4.2 shall be interpreted to change, amend or modify the conditions of the Development of Record approval by the Local Government. No oral statements or representations made before or after the execution of this CCFEA regarding the subject matter of this CCFEA are binding on a party, nor may any such oral statements or representations be relied on by a party.

4.3 **Invalid Provisions.** If any provision of this CCFEA is held to be illegal, invalid, unenforceable under present or future laws, such provision shall be fully severable. The CCFEA shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of the CCFEA. The remaining provisions of the CCFEA shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this CCFEA.

4.4 **Parties Bound and Assignment.** The CCFEA shall be binding upon and inure to the benefit of the parties, and their respective heirs, personal representatives, successors and assigns.

4.5 **Further Acts.** In addition to the acts recited in this CCFEA to be performed, the parties agree to perform, or cause to be performed, any and all further acts as may be reasonably necessary to consummate the obligations contemplated hereby.

4.6 **Headings.** Headings used in this CCFEA are used for reference purposes only and do not constitute substantive matter to be considered in construing the terms of this CCFEA.

4.7 **Notice.** All notices given pursuant to this CCFEA shall be in writing and shall be given by personal delivery, by facsimile transmission, by United States mail or by United States express mail or other established express delivery service (such as Federal Express), postage or delivery charge prepaid, addressed to the appropriate party at the address set forth below:

REGIONAL TRANSPORTATION COMMISSION,
Engineering Department
Attn: Julie Masterpool, P.E.
1105 Terminal Way, Suite 108
Reno, Nevada 89502
Telephone: (775) 348-0171
Facsimile: (775) 348-0170

THE CITY OF SPARKS
CityWorks
Attn: John Martini, P.E.
PO Box 857
Sparks, Nevada 89432-0857
Telephone: (775) 353-2289
Facsimile: (775) 353-7874

Rising Tides
Attn: Scott Christy
P.O. Box 70458
Reno, NV 89570
Telephone: (775) 745-0259

The persons and address to which notices are to be given may be changed anytime by any party upon written notice to the other party. All notices given pursuant to this CCFEA shall be deemed given upon receipt.

4.8 **Receipt Defined.** For the purposes of this CCFEA, the term "receipt" shall mean any of the following: (a) the date of delivery of the notice or other document as shown on the return receipt; (b) the date of actual receipt of the notice or other document; or (c) in the case of refusal to accept delivery or inability to deliver the notice or other document, the earlier of: (i) the date of the attempted delivery or refusal to accept delivery; (ii) the date of the postmark on the return receipt; or (iii) the date of receipt of notice of refusal or notice of non-delivery by the sending party.

4.9 **Due Authorization.** The parties agree that they have the legal authority to enter into this agreement and the undersigned officer, representative or employee represents that he or she has the authority to execute this agreement on the behalf of the party represented.

4.10 **Indemnification.** Developer of Record shall indemnify, defend and hold harmless the RTC and the Local Government, their offices, officials, employees and volunteers, from any and all costs, liabilities, damages, claims, demands, suits, action, attorneys, fees, or expenses of any kind ("claims") that arise out of, or are in way related, in whole or in part to the negligence or misconduct, or acts or omissions, of the Developer of Record, its officers, agents, employees, members, volunteers, contractors and anyone else for whom it is legally liable, while performing or failing to perform Developer of Record's duties under this agreement. Said indemnification excludes any claims alleged to have been caused by the negligence or willful misconduct of the RTC and /or the Local Government.

4.11 **Termination of CCFEA.** This CCFEA may be unilaterally terminated by the RTC Administrator if twelve (12) consecutive months elapse without reasonable progress being made on the offered Improvements.

4.12 **Future Development Approvals.** The Local Government agrees that future development approvals for the Development of Record shall not be denied on the basis of the policy level of service being exceeded on the offered improvements.

In Witness Whereof, the parties have executed this CCFEA on the _____day of _____, 20___.

REGIONAL TRANSPORTATION COMMISSION
A Special Purpose Unit of Government

By: Bonnie Weber
Bonnie Weber, Chairman

APPROVED AS TO LEGAL FORM:

Dale E. Ferguson
Dale Ferguson, RTC Legal Counsel

STATE OF NEVADA

COUNTY OF WASHOE

The above-instrument was acknowledged before me this 19th day of July, 20 13, by Bonnie Weber, Chairman of the Regional Transportation Commission.

Denise Thompson
Notary Public

DENISE THOMPSON
Notary Public-State of Nevada
APPT. NO. 08-8382-2
My App. Expires October 17, 2016

CITY OF SPARKS
A Municipal Corporation

By:_____

APPROVED AS TO LEGAL FORM:

By:_____

The above-instrument was acknowledged before me this _____day of _____, 20____ by

_____.

Attest by City/County Clerk:_____

DEVELOPER OF RECORD:

By: [signature]

STATE OF Nevada
COUNTY OF Washoe

The above-instrument was acknowledged before me this 11 day of February, 20 14 by Scott Christy, Rising Tides

T. Hunt-Gilbertson
Notary Public

T. HUNT-GILBERTSON
Notary Public - State of Nevada
Appointment Recorded in Washoe County
No: 04-89904-2 - Expires January 11, 2017

CCFEA # 521023

EXHIBIT "A"
(Section X of the Regional Road Impact
Fees General Administrative Manual, Current Edition)

X. CREDITS

A. Feepayer Must Apply

Pursuant to this Manual, any person except a unit of government who constructs all or part of a capital improvement included in the Regional CIP or offers a dedication of land may apply for a credit. To be eligible for such a credit, a letter should be submitted to the RTC RRIF Administrator that includes the Developer of Record, the Development of Record and the proposed capital improvements prior to the initiation of work on the improvements. A fully executed Capital Contribution Front-Ending Agreement (CCFEA) must be in place prior to the completion of work on the improvements. In no case shall any credits be issued unless there exists a fully executed CCFEA.

B. Eligible Contributions

A feepayer may obtain credit against the Regional Road Impact Fees for the following:

1. Credits shall be given for mandatory or required right-of-way dedications and construction of street improvements included in the Regional Road Impact Fee CIP.

2. Except as otherwise provided in this subparagraph, credits shall be given for actual payments into assessment districts or payments made to retire any bonds or other financial instruments utilized for the purpose of funding the construction of street improvements included in the Regional Road Impact Fee CIP. Where an assessment district is formed for the aforementioned purpose, the Developer of Record shall be entitled to receive the credits provided by this paragraph only upon submission of proof that language approved by the RTC regarding said credits is set forth in a separate notice recorded against each parcel within the assessment district prior to the sale of said parcel and a disclosure form is included in the sale of the parcel from the Developer of Record to the initial purchaser and said sale is conditioned so that said disclosure is to be included in every subsequent sale until all bonds or other financing has been paid in full. At a minimum, the separate notice and disclosure form shall provide that the initial parcel purchasers and all succeeding purchasers who make payments for the retirement of assessment bonds or other financial instruments utilized for the construction of street improvements, are releasing any rights to said credits to the Developer of Record or his successors and assigns and forever disclaiming any interest in said credits.

3. Credits shall be given for right-of-way dedications and construction of street improvements included in the Regional Road Impact Fee CIP and set forth in a Developer Agreement entered into with one of the Participating Local Governments prior to the effective date of the Ordinance.

4. Credits shall be given for voluntary right-of-way dedications and street improvements included in the Regional Road Impact Fee CIP pursuant to an agreement approved by the RTC Board according to the provisions of this Section.

5. No credit shall be given for

   a. right-of-way, street improvements and/or site-related improvements not included in the Regional Road Impact Fee CIP. Site-related improvements refers to capital improvements and right-of-way dedications for direct access improvements to the development in question, including, but not limited to, the following:

      1. Site driveways and streets, turn lanes into those driveways, and/or traffic control measures for those driveways.

      2. Frontage streets.

   b. local streets and/or private streets,

   c. proposed street improvements which do not meet design standards approved by the RTC,

   d. proposed street improvements for which compensation has previously been given by a governmental body,

   e. any portion of the improvements which exceed the scope of the RRIF road crediting standards or the improvements envisioned in the CIP project.

C. Capital Contribution Front-Ending Agreement (CCFEA)

1. The RTC and the Participating Local Government within whose jurisdiction the Offered Improvements lie may enter into a Capital Contribution Front-Ending Agreement with any person who proposes to construct Non-Site Related Regional Road Capital Improvements or to dedicate right-of-way that are identified in the Service Area of the CIP.

2. The offer to construct capital improvements or dedicate right-of-way for impact fee credits shall be made in writing to the RTC RRIF

Administrator. The letter must contain the documentation identified in Section X.D., below identifying the capital improvements and/or right-of-way dedications for which the credits are requested.

3. If the application is approved by the RTC RRIF Administrator and the Local Administrator, the CCFEA will be forwarded for execution by the RTC Board and Participating Local Government within whose jurisdiction the improvements lie that specifically describes the following:

   a. The applicant, referred to as the Developer of Record, offering to make improvements and to whom RRIF credits will be issued.

   b. The contribution, payment, construction, or land dedication which is offered for credit (Offered Improvements) and the legal description or other adequate description of the project or development, referred to and the Development of Record, to which the offered improvements are related.

   c. The time by which the construction of roadway improvements or dedication of land shall be paid, completed, or dedicated and any extensions thereof.

   d. The amount of all credits (expressed in vehicle miles of travel [VMT]) to be issued based on estimated reasonable costs.

   e. A schedule for when interim credits are to be issued during phases of construction or dedication of land which provides reasonable assurance that over crediting shall not occur. Value of the credits will be limited to a maximum of 80% of the cost of the improvements eligible for credits. The remaining 20% will be retained until the final credits are issued.

4. The applicant must sign and date a copy of the CCFEA indicating his consent to the terms therein before credit will be given. If the applicant fails to execute the CCFEA within 30 days of receipt by personal delivery or by registered mail, the credit application shall be deemed to have been withdrawn. Registered mail shall be deemed to have been received three days after mailing.

5. All changes in the estimate of approval credit or the schedule of credit issuance, or to the approved plans and specifications, shall require approval of the RTC RRIF Administrator. The applicant shall provide the RTC RRIF Administrator copies of all contracts or agreements made for design services, construction, or engineering

during construction within fifteen (15) days after their execution. To be eligible for credit, any change orders or modifications to any such contracts or agreements in excess of $5,000 in the case of design and engineering services during construction and $10,000 in the case of construction must receive prior approval by the RTC RRIF Administrator. Changes in amounts less than these thresholds may be submitted after the fact to the RTC RRIF Administrator for a determination of eligibility for credit. All requests for an increase of the estimate of approved credit shall include all documentation required by the RTC RRIF Administrator.

6. In the event an applicant cannot acquire any portion of the right-of-way that conforms to Section X.D.4., below, the applicant may request the RTC to commence an eminent domain action to acquire said right-of-way. By submitting such a request, the applicant agrees to pay all of the RTC's legal fees, costs and amounts awarded by a Court or Arbitrator as just compensation for the property and property rights acquired. All said expenses shall be eligible for RRIF credits.

7. Withdrawal of Offer by Applicant. And person who offers land and/or improvements in exchange for credits may withdraw the offer of dedication at any time prior to the transfer of legal title to the land or improvements in question and pay the full impact fees required by this Manual.

8. Any claim for credit must be made prior to the completion of work on the improvements or the acceptance of a right-of-way dedication by the local government. Any claim not so made shall be deemed waived.

D. Documentation

An applicant proposing to enter into a CCFEA shall submit the following documentation with the letter to the RTC RRIF Administrator: (For detailed submittal information ask the RTC RRIF Administrator for the CCFEA Applicant Guide.)

1. Certification of Eligibility for Inclusion on the Regional Road Impact Fee System. If, in the opinion of the RTC RRIF Administrator, the specific development plans of the applicant may result in the generation of traffic volumes or other operational characteristics that would make the Offered Improvements ineligible for retention on the Regional Road Impact Fee Network, he may require the applicant to perform the necessary studies to make a determination of this issue. The reasonable cost of such studies shall only be creditable if the offered improvements are deemed eligible to be retained on the Regional Road Impact Fee Network.

2. Developer of Record, Development of Record, Engineer of Record: The name, address, phone number, fax number and a contact person of the Developer of Record for which credits will be issued. The name, Local Government File Number and three copies of the site plan of the Development of Record for which credits will be issued. Name, address, phone number, fax number and contact person of the Engineer of Record.

3. Construction of Capital Improvements

   a. The proposed plans and specifications for the specific construction prepared and certified by a duly qualified engineer, registered and licensed in the State of Nevada;

   b. The projected costs for the proposed improvement, which shall be based on local information for similar improvements, along with the construction timetable for the completion of the improvement. Such estimated cost shall include the cost of construction, planning feasibility, alignment studies, plan-line studies, preliminary engineering, relevant geotechnical, environmental and cultural resource studies, permitting, the cost of all lands, property, rights, easements, and franchises acquired, construction financing charges, plans and specifications, surveys, engineering and legal services construction inspection and testing, and all other expenses necessary or incident to determining the feasibility or practicability of such construction.

4. Right-of-way Dedication. When a person proposes credit for the dedication of right-of-way contained in the RRIF CIP, he shall present:

   a. Preliminary Title Report.

   b. Copy of Dedication Map containing proposed dedication.

   c. Documentation sufficient to establish the applicant's opinion of value of property to be offered for dedication. *The documentation shall include* property appraisals prepared by qualified professionals, purchase contracts, etc. Establishing the value of the land in question by appraisal or other means must be done in the following manner:

      1. If the land in question is subject to a valid agreement, zoning approval or development approval, which established a valuation or prescribes a method of valuation, the agreement, zoning approval or development approval shall control.

2. If the dedication is made pursuant to a condition of zoning or development approval, the value of the land shall be determined as of the date of the application for change in zoning or development approval and shall be based upon the zoning of the land that existed prior to the approval which contains the condition of dedication.

3. If neither (1) or (2) are applicable, valuation shall be based on the fair market value of the land upon execution of the CCFEA by the applicant or actual acceptance of any "offer of dedication" from the applicant by the Local Government, whichever is earlier.

2. Other Contribution. If the proposed application involves a credit for any contribution or payment not provided for in this Manual, the following documentation must be provided:

a. A certified copy of the development approval in which the contribution or payment was agreed.

b. If payment has been made, proof of payment; or

c. If payment has not been made, the proposed method of payment.

E. Determination of Final Credit

1. Amount of the Final Credit. The RTC RRIF Administrator shall determine which capital improvements and/or right-of-way dedications are eligible for credits and what the amount of the credit shall be for each. The credit shall be in an amount equal to the actual cost of the elements identified in D.3.b. above subject to a test of reasonableness. The determination of the amount of credit shall be made by the RTC RRIF Administrator, after consultation with the Local Administrator, based on the review of the documentation presented. Credits created pursuant to a CCFEA shall be expressed in terms of VMT units. If the RTC RRIF Administrator determines that such estimates submitted by the applicant are either unreliable or inaccurate, the final credit determination shall be made by the RTC RRIF Administrator based upon alternative engineering criteria, construction costs estimates, property appraisals, or other reasonable means of determining the value of the offered improvements or right-of-way.

2. Final Credit for Construction. Final credits for construction of eligible regional road improvements will be issued upon the

fulfillment of all terms of the CCFEA to the full and sole satisfaction of the RTC RRIF Administrator and the acceptance of the Offered Improvements by the RTC RRIF Administrator and the Local RRIF Administrator.

3. Final Credit for Right-of-way Dedication. Final credit for land dedication shall be created when the proper documentation required in this Section have been submitted, the following procedures have been completed, and the irrevocable offer of dedication for said land has been accepted by the appropriate governmental body. The procedures required are:

   a. The delivery to the appropriate governmental body of an irrevocable offer of dedication, with sufficient funds to pay all costs of transfer of title including recording.

   b. The escrow of taxes for the current year or the payment of said taxes for the year.

   c. The issuance of a title insurance policy subsequent to recording of the deed and escrow of taxes.

4. Credits Claimed. Applicants claiming credits shall submit sufficient documentation to permit the RTC RRIF Administrator to determine whether such credits claimed are due and in what amount.

5. RRIF Credit Certificates. Credits shall be in the form of a RRIF Credit Certificate issued by the RTC RRIF Administrator. Only authorized officials at the City of Reno, the City of Sparks, Washoe County, and the RTC are permitted to make entries into this document. Entries or alterations by others may render the document void. With the transaction that reduces the credit balance on a certificate to zero, the local government making the transaction will retain the certificate and return it to the RTC RRIF Administrator. All risk is assumed by the person or organization to which a credit certificate was issued. Although the RTC RRIF Administrator will be tracking credit transactions for administrative purposes, the credit certificate itself is the official record of credit balance and usage. Should the certificate be lost, stolen, damaged, or destroyed, the RTC RRIF Administrator is not obligated to determine the amount of remaining credits or to provide a replacement certificate. The RTC RRIF Administrator may attempt to ascertain the amount of credit remaining but does not guarantee that a replacement certificate will be issued.

F. Credit Usage

The transferability and usage of credits are as follows:

1. RRIF credits may be used by the Developer of Record to pay for up to 100% of the Regional Road Impact Fees on any traffic generating development of land included in the Development of Record.

2. RRIF credits may be used by the Developer of Record to pay for up to 100% of the Regional Road Impact Fees on any traffic generating development of the Developer of Record within the same benefit district as the Development of Record.

3. RRIF credits are transferable to a third party. To transfer credits, the credit book must be returned to the RTC RRIF Administrator; credits will be subtracted and transferred to a new credit book issued to the new holder.

    a. RRIF credits may be used by a third party to pay for up to 100% of the Regional Road Impact Fees on any traffic generating development of land included in the Development of Record.

    b. RRIF credits may be used by a third party to pay for up to one half of the amount of the Regional Road Impact Fees due on any traffic generating development within the same benefit district as the Development of Record. The other half of the amount of the Regional Road Impact Fees due must be paid in cash.

4. RRIF credits may not be used outside of the benefit district in which the Development of Record lies.

Note: Only authorized officials at the City of Reno, the City of Sparks, Washoe County, and the RTC are permitted to make entries into credit books. Entries or alterations by others may render the document void. With the transition that reduces the credit balance on a certificate to zero, the local government making the transaction will retain the certificate and return it to the RTC RRIF Administrator.

G. Expiration of Credit

Unused credits shall expire twenty years from the original date of issuance of a credit book.

H. Appeals

If the applicant disagrees with the findings of the Local Administrator or RTC RRIF Administrator with respect to credits due, the applicant may appeal the decision (see Section XI).

EXHIBIT "B"
(Site Plan)

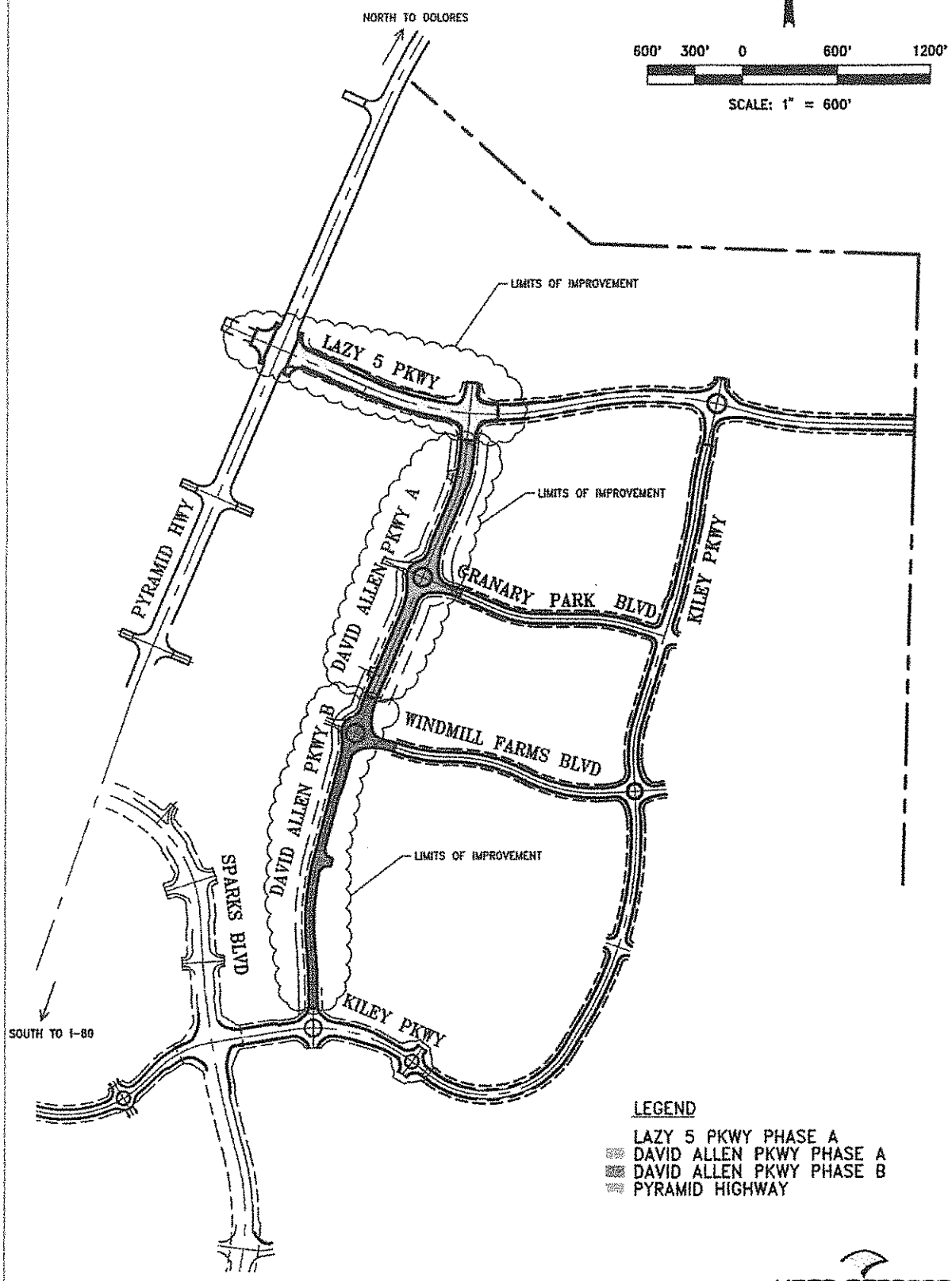
REGIONAL ROADWAYS

KILEY RANCH

KILEY RANCH COMMUNITIES

SPARKS NEVADA

OCTOBER 5, 2007



WOOD RODGERS

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EXHIBIT 2-2: CIRCULATION PLAN

KILEY RANCH NORTH
DEVELOPMENT OF RECORD

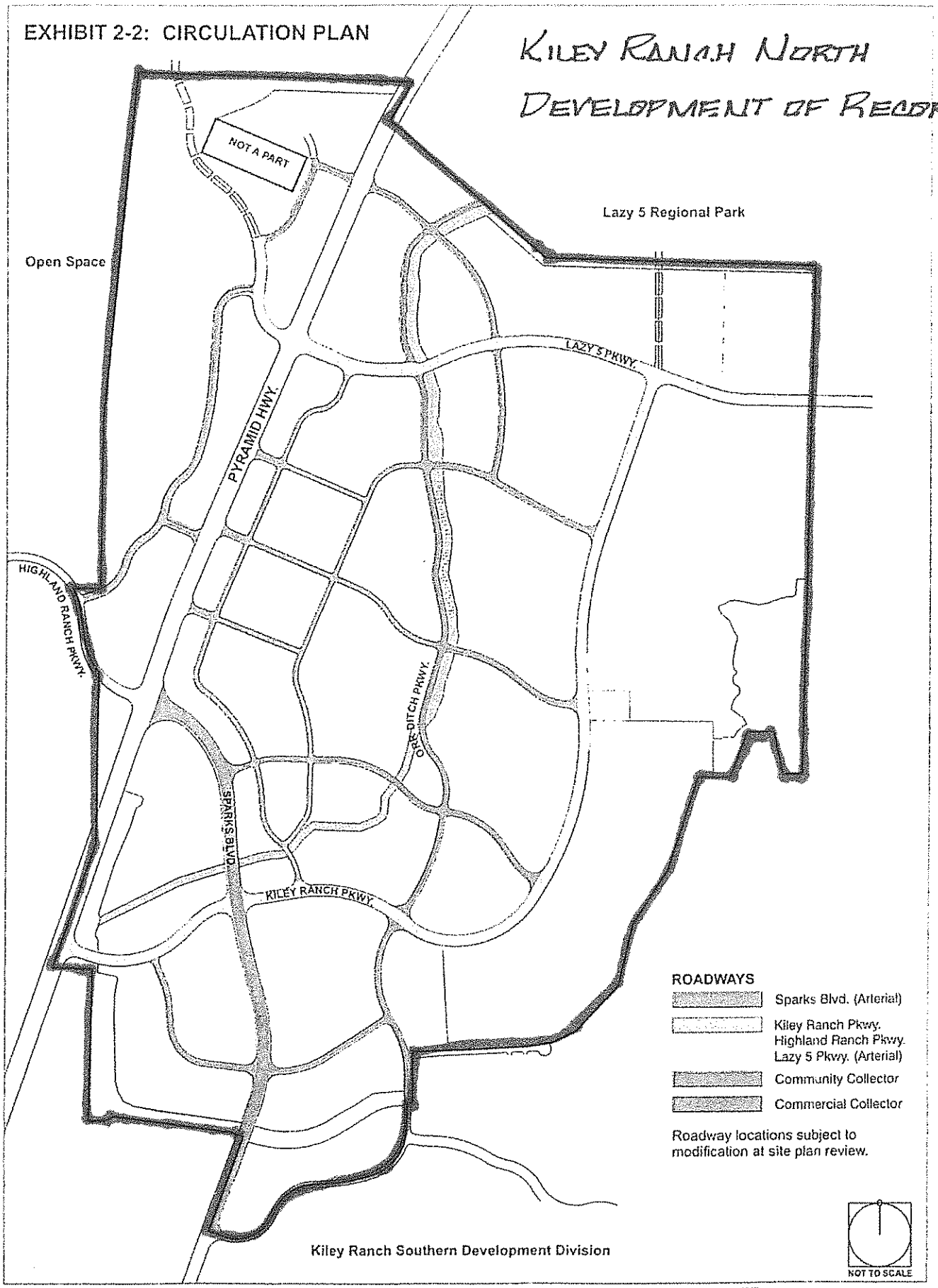

EXHIBIT "C"
(Offered Improvements Application/Submittals)

CHRISTY

January 18, 2013

Regional Transportation Commission
Engineering Department
Attn: Julie Masterpool, P.E.
1105 Terminal Way, Suite 108
Reno, NV 89502

Re: Kiley Ranch CCFEA Letter of Intent
Lazy 5 Parkway and David Allen Parkway Improvements

Dear Julie,

Rising Tides, LLC would like to enter into a Capital Contribution Front Ending Agreement (CCFEA) with the RTC for the above referenced roadway projects.

As you are aware, Rising Tides, LLC has acquired the Kiley Ranch North Development. An application for CCFEA was previously submitted on this project by the prior developer (CCFEA #521020) and subsequently cancelled in 2012.

Description of Proposed Capital Improvements

Lazy 5 Parkway Improvements-Phase 1:
The first phase of Lazy 5 Parkway begins at its intersection with Pyramid Way and continues east approximately 1,300 ft to just east of its intersection with David Allen Parkway. Ultimately, this road will connect to improvements being constructed in Pioneer Meadows and provide an additional and much need east west link to Vista and an eventual North South connection to La Posada. The first phase includes all surface and subsurface improvements, a traffic signal at the intersection with David Allen Parkway, and full landscape treatments. It also includes construction of subgrade, storm drainage and sanitary sewer improvements to the eastern boundary of Kiley Ranch.

David Allen Parkway Improvements- Phase A
The first phase of David Allen Parkway begins at its intersection with Lazy 5 Parkway on the North and extends south approximately 1,725 ft just east of the proposed community commercial center adjacent to Pyramid way. Phase A also includes the construction of subgrade, storm drainage, sanitary sewer and all wet and dry utilities to the existing round-about in Kiley Parkway.

David Allen Parkway Improvements-Phase B
This second phase of David Allen Parkway begins at the southern terminus of the Phase A improvements and extends south approximately 1,880 ft of the existing returns at the round-about in Kiley Parkway.

Developer of Record
Rising Tides, LLC
ATTN: Scott Christy, Manager
P.O. Box 70458
Reno, NV 89570
(775)745-0259

Development of Record
The development of record shall include the Kiley Ranch North Development, as shown on the attached site plan.

Engineer of Record
Black Eagle Consulting
ATTN: Pat Pilling, P.E.
1345 Capital Blvd.
Reno, NV 89502
(775)359-6600

CCFEA Coordinator
Christy Corporation, LTD.
ATTN: Scott Christy, P.E.
5300 Mill Street
Reno, NV 89502

Preliminary Engineering Cost Estimate
Referenced attached cost estimates.

Thank you for your consideration and I look forward to working with you on this project and more to come in the future. Please call me when you get a chance to discuss schedule and additional information that you might need. If there are any questions, please don't hesitate to call me at 398-1790.

Regards,
Christy Corporation, LTD

Scott A. Christy, P.E.
President

EXHIBIT "D"
(Letter of Approval)

REGIONAL TRANSPORTATION COMMISSION
Public Transportation · Streets and Highways · Planning

February 28, 2013

Mr. Scott Christy
Rising Tides, LLC
PO Box 70458
Reno, NV 89570

Subject: **Acknowledgement of Credit Request for Rising Tides, LLC**

Dear Mr. Christy:

We have received your request to enter into a Capital Contribution Front Ending Agreement (CCFEA) for the construction and right of way dedication of Lazy 5 Parkway, a four lane arterial, from Pyramid Way to David Allen Parkway and David Allen Parkway, a two to four lane roadway, from Lazy 5 Parkway to Kiley Ranch Parkway. These improvements were originally constructed by Kiley Ranch Communities. The property was subsequently purchased by Rising Tides, LLC. Since Lazy 5 and David Allen Parkways were never dedicated to the City of Sparks, Rising Tides, LLC is offering these roads for dedication in exchange for impact fee credits in accordance with Section X of the Regional Road Impact Fee (RRIF) General Administrative Manual (GAM).

This is not a typical arrangement for a CCFEA since the applicant did not construct the facilities. We are reviewing the application of the provisions of the GAM to these circumstances.

The engineering estimate provided with the application is based on costs estimated in 2007 as part of a previous CCFEA request. Valuation of the improvements as submitted may be subject to adjustment.

The right of way valuation included in the engineering estimate will require additional verification. Rising Tides shall submit purchase documents identifying the value of the development purchased in order to determine the current right of way value.

The RRIF Administrators for the RTC and the City of Sparks recognize you have made a claim to receive RRIF credits for dedication of right of way and construction for Lazy 5 Parkway and David Allen Parkway through your letter of intent to enter into a CCFEA.

RTC Board: Bonnie Weber (Chair) · Dwight Dortch (Vice Chair) · Sharon Zadra · David Humke · Ron Smith
PO Box 30002, Reno, NV 89520 · 2050 Villanova Drive, Reno, NV 89502 · 775-348-0400 · rtcwashoe.com

A CCFEA for this work will be prepared and forwarded to the RTC Board and the City of Sparks once a determination has been made on the valuation of the proposed improvements and other requirements in the GAM. Assuming approval and execution of the CCFEA by these bodies, the agreement will be forwarded to the Developer of Record for signature.

Please feel free to contact Julie Masterpool, RTC Senior Engineer, at (775) 335-1897 should you have any questions regarding this subject.

Sincerely,

REGIONAL TRANSPORTATION COMMISSION

Jeffrey D. Hale, P.E.
RRIF Administrator

CITY OF SPARKS

John Martini, P.E.
RRIF Administrator

JDH/JDM/yer

J:\ENG\RRIF\CCFEA Projects\Lazy 5 Pkwy-David Allen (Rising Tides LLC)\Exhibit D - Letter of Approval 2-28-2013.doc

EXHIBIT "E"
(The Developer of Record QA/QC Program
And
RTC Special Technical Specifications
For
Regional Road Impact Fee Projects)

EXHIBIT E

CCFEA # 521023 - QA/QC PROGRAM
Lazy 5 Parkway & David Allen Parkway

REGIONAL TRANSPOTATION COMM:	Engineering Dept. 1105 Terminal Way, Suite 108 P.O. Box 30002 Reno, NV 89520-3002 Office: 348-0171		
REPRESENTATIVE: Julie Masterpool	**PHONE: 335-1897**	**FAX: 348-0170**	**MOBILE:**

LOCAL GOVERNMENT:	**City of Sparks** 431 Prater Way Sparks, NV 89431		
REPRESENTATIVE: John Martini	**PHONE: (775) 353-4080**	**FAX:**	**MOBILE:**

DEVELOPMENT OF RECORD:	Kiley Ranch North Development

DEVELOPER OF RECORD (DOR):	Rising Tides, LLC PO Box 704458 Reno, NV 89570		
REPRESENTATIVE: Scott Christy	**PHONE: (775) 745-0259**	**FAX:**	**MOBILE:**

ENGINEER OF RECORD (EOR):	Black Eagle Consulting 1345 Capital Blvd Reno, NV 89502		
REPRESENTATIVE: Pat Pilling	**PHONE: (775) 359-6600**	**FAX:**	**MOBILE:**

TESTING FIRM:	Black Eagle Consulting 1345 Capital Blvd Reno, NV 89502		
REPRESENTATIVE: Pat Pilling	**PHONE: (775) 359-6600**	**FAX:**	**MOBILE:**

CONTRACTOR:			
REPRESENTATIVE:	**PHONE:**	**FAX:**	**MOBILE:**

Testing Requirements: including, but not limited to –

Mass and Structural Fill	1 Sieve Analysis, Atterberg Limits and Maximum Dry Density & Optimum Moisture Content determination per source, minimum. 1 FDT for each 500 yds^3 or daily fraction thereof.
Bedding Material	Conform to SSPWC, Section 200.03 or utility requirement per source. 1 FDT between manholes or valves, or every 500 feet, including laterals, whichever is more restrictive, or utility requirement
Backfill Material	Conform to SSPWC, Section 200.03 per material. 1 FDT per foot of thickness between manholes or valves, or every 500 feet, including laterals, whichever is more restrictive
Curb & Gutter and Sidewalk Subgrade	1 Sieve Analysis, Atterberg Limits and Maximum Dry Density & Optimum Moisture Content determination per material, minimum. 1 FDT for each 250 linear feet or fraction thereof.
Road Subgrade	1 Sieve Analysis, Atterberg Limits, Maximum Dry Density & Optimum Moisture Content determination and Resistance value per material. 1 FDT for each 250 linear feet or fraction thereof.
Aggregate Base	Conform to SSPWC, Section 200.01 per source. 1 FDT for every 250 linear feet or fraction thereof
Concrete	Conform to SSPWC, Section 200 for aggregates, mix design in accordance with SSWPC, Section 202 per material. The submittal should include mill certifications for the cement used. 1 set of 4 cylinders, slump, air content & temperature tests per each day's pour per mix, or every 50 yds^3 per mix, whichever is more restrictive. 1 cylinder from each set shall be tested at 7 days, 2 at 28 days, and the remaining cylinder held for later testing as required.
Asphalt Concrete	Mix design in accordance with SSPWC, Section 320 per material. Testing in accordance with SSPWC, Section 336.03.04. Test results shall be reported as presented on the form provided.
Steel	Mill certificates for structural and reinforcing steel shall be submitted by the Contractor
Pipe	Pipe shall be tested in accordance with SSPWC, Section 203

In order to ensure eligibility for credit, all parties are advised to comply with Exhibit E – Inspection, Testing and Verification and Quality Assurance Program of the Capital Contribution Front Ending Agreement (CCFEA); however, the Engineer of Record is especially directed to Subsections 2 - 2.a), c), and f), of Exhibit E, which require the initiation of a pre-construction meeting at least one week in advance of the initial construction, notification of the RTC Administrator at least 24 hours in advance of specific construction tasks, and provisions for daily reports on a bi-weekly basis for the previous 2 weeks, respectively.

ACKNOWLEDGEMENT:

RTC Representative: _____ **Date:** _____

Local Government Representative: _____ **Date:** _____

Developer of Record Representative: _____ **Date:** _____

Engineer of Record Representative: _____ **Date:** _____

Testing Firm Representative: _____ **Date:** _____

Contractor Representative: _____ **Date:** _____

EOR EVENTS	DATE
Submittals	_____
Pre-Construction Conference (sign in sheet)	_____
Pre-Construction Conference notes	_____
Start Construction	_____
Bi-weekly Reports (attach)	_____
_____	
Project Changes (attach)	_____
_____	
Construction Complete	_____
Letter of Verification by EOR and stamped As-Built Drawings	_____

CONTRACTOR EVENTS	DATE
Construction Schedule	_____

RTC QAI EVENTS	DATE
EOR, Inspector and Testing Qualification Review	_____
_____	
_____	
Daily Field Review and Report	_____
_____	

EXHIBIT E

INSPECTION, TESTING AND VERIFICATION AND QUALITY ASSURANCE PROGRAM

SECTION 1 - GENERAL

It is the intent of this program to set forth the requirements and responsibilities of those parties involved in the inspection, testing, verification, and acceptance of improvements offered as capital contributions under the Regional Road Impact Fee (RRIF) system so that consistent and satisfactory quality is achieved in the constructed products.

All new construction shall have an Engineer of Record (EOR), when required by the Regional Transportation Commission (RTC), retained by the owner and reporting to the RTC Administrator. The contractor shall not retain the EOR, unless he is also the owner. The EOR shall not be the contractor. The EOR shall be responsible for all inspection, testing and verification of the constructed improvements as to compliance with this chapter, the improvement plans of record and with local development codes. The EOR is not responsible for means, methods, techniques, sequences or procedures of construction nor safety of the construction site. Quality control shall be the responsibility of the Contractor.

In addition, all new construction requiring an EOR shall have a Testing Firm responsible to the EOR and reporting to the EOR.

SECTION 2 - RESPONSIBILITIES

1. DEVELOPER OF RECORD (DOR)

   a) Shall retain the services of an EOR. Shall provide a copy of this program to the EOR.

   b) Shall retain the services of a Testing Firm which shall be responsible to the EOR and report to the EOR. Shall provide a copy of this program to the Testing Firm.

   c) Shall make every reasonable effort to retain as the EOR, the services of the firms or persons responsible for the preparation of the approved soils report and the improvement plans of record.

   d) Shall retain the services of a contractor and notify said contractor of the requirements of this Chapter. Shall provide a copy of this program to the Contractor.

   e) Shall be responsible to the RTC for the adequacy of completed work covered

under this chapter. Any defective material, equipment, or workmanship, or any unsatisfactory work which may be discovered before final acceptance, or within 1 year thereafter, shall be corrected immediately on the requirement of the EOR or RTC Administrator, without extra charge, notwithstanding that it may have been overlooked in previous inspections. Failure to ensure adequate inspection of the work shall not relieve the owner from any obligation to perform sound and reliable work.

f) Shall designate a representative with authority to act on behalf of the owner for all work performed.

g) The owner acknowledges the need for continuing involvement of the firms or persons responsible for the preparation of the approved project soils report and the improvement plans of record during construction. In the event the EOR is different from the above-mentioned firms or persons, the owner agrees to be financially responsible for services provided by the said firms or persons as requested by the EOR.

2. ENGINEER OF RECORD (EOR)

a) Shall initiate a pre-construction conference for construction of improvements at least one week in advance of initial construction. Representatives of the owner, contractor, Local Government, RTC Administrator, EOR and testing firm shall attend.

b) Shall provide a written summary of the pre-construction conference to the owner, contractor, Local Government and the RTC Administrator, and will also notify the participants of any significant changes in writing at least 2 working days in advance of implementing the changes.

c) Shall notify the RTC Administrator and the Local Government of the date and hour that work on any of the following items is expected to begin. Notification shall be given not less than 24 hours in advance; and, if thereafter conditions develop to delay the start of work, the EOR shall notify the RTC Administrator and the Local Government of the delay, not less than 2 hours before the work was to begin:

1. Grading, excavation, and fill operations within public right-of-way.

2. Laying of sewer lines, drainage lines or appurtenances.
3. Backfilling of sewer lines, drainage lines or appurtenances.

4. Placing of reinforcing steel, forms and falsework for concrete structures.

5. Placing the concrete for curbs, gutters, sidewalks, alleys, valley gutters, headwalls, or structures.

6. Placing of any type of base course or courses.

7. Tacking bituminous or concrete surfaces.

8. Placing asphalt concrete or Portland cement concrete pavement.

9. Sealing asphalt concrete or Portland cement concrete pavement.

d) Shall submit for review, prior to initiation of the preconstruction conference, the qualifications of the testing firm and the field inspection and testing technician personnel for the project. Said qualifications shall meet the minimum specified in this chapter.

e) Shall make inspection of workmanship and materials in accordance with this chapter. No work nor materials will be accepted without such inspection. Shall also review catalog cuts and data sheets for material submittals. The EOR will make every reasonable effort to perform inspection and testing services in a manner which will accommodate the construction schedule.

f) Shall provide to the RTC Administrator and Local Government, on a bi-weekly basis, copies of the daily inspection/testing reports for the previous 2 weeks.

g) Shall immediately notify the RTC Administrator and Local Government of any proposed changes from the improvement drawings of record. Should the RTC Administrator determine that the proposed change is major in nature, such change shall require prior approval by the RTC Administrator. The Local Government will not be liable for any delays caused by the review and approval of such changes.

h) Shall arrange as part of his contract with the owner to confer and coordinate with the firms or persons responsible for the preparation of the approved project soils report and the improvement plans of record throughout the construction of the project to evaluate compliance with the requirements of this chapter. In the event that the firms or persons responsible for the preparation of the approved project soils report or improvement plans of

record are not available for consultation, the EOR shall notify the RTC Administrator and Local Government of such prior to commencement of construction. In this event, the EOR and the RTC Administrator and Local Government shall agree to an alternative arrangement for providing the necessary soils report and improvement plans of record interpretations prior to commencement of construction.

i) Shall notify in writing the DOR, Contractor, Local Government, and the RTC Administrator, if, during the course of construction, the EOR finds that defective materials or workmanship not meeting requirements have been constructed and not satisfactorily corrected by the contractor within one week of verbal notification to the contractor. The written notification shall be supported by field reports and/or test results.

j) Shall, upon completion of construction of improvements, provide the RTC with a letter of verification on the format provided by the RTC, verifying the adequacy of the improvements and providing verification of all final quantities and unit prices; and, that construction, inspection, and testing were performed in compliance with this chapter, improvement plans of record and RTC standards; and, provide sepia-mylars of any changes from the approved improvement plans of record or a statement that no changes were made; and, provide copies of inspection and test reports, if not already provided. The final completion and acceptance of all such improvements, including recommendations of release and return of any security, shall be subject to the approval of the RTC Administrator.

k) Shall sign and wet-stamp, or cause to be signed and wet-stamped by a Nevada registered Civil Engineer, all drawings, reports and test data, and forward such to the RTC, Local Government, DOR, and Contractor.

3. RTC Administrator

a) Shall assign a primary contact to the EOR who shall serve as the RTC's representative during construction of bonded improvements. This primary contact shall be known as the RTC Quality Assurance Inspector (QAI). The qualifications of the QAI, as a minimum, will meet the qualifications of a Public Works Construction Inspector.

b) Shall attend the preconstruction conference initiated by the EOR.

c) Shall check and evaluate that adequate inspection personnel are on-site during the construction of bonded improvements. Should the QAI determine

that adequate personnel are not available on-site for inspection, the QAI shall immediately advise the EOR of the situation and so record the incident in his daily report.

d) Shall keep a daily report of construction activities he observes, including pertinent conversations with the EOR.

e) Shall, on a bi-weekly basis, review the daily inspection/testing reports submitted by the EOR. Any unsatisfactory test results shall be called to the attention of the EOR.

f) Shall review the qualifications of the EOR to determine if they meet the minimum requirements of this chapter. If it is determined that the EOR does not meet said minimum requirements, the owner shall review the improvement agreement (Exhibit C) and retain an EOR meeting the qualifications of this chapter as determined by the RTC Administrator.

g) Shall review the qualifications of the EOR's field inspection personnel to determine if the qualifications meet the minimum requirements of this chapter. If it is determined that the EOR's field inspection personnel do not meet said requirements, substitute field personnel will be required.

h) Shall evaluate the performance of the EOR's field inspection personnel. The RTC Administrator shall have the authority to reject the selection of the testing firm, testing technicians or field inspection personnel for the project. The RTC Administrator shall also have the authority to reject the field inspection personnel or testing technician and direct substitute personnel in the event of unsatisfactory performance by said personnel in the opinion of the RTC Administrator.

4. CONTRACTOR

a) Shall be responsible for construction of improvements and quality control. This responsibility shall include the means, methods, techniques, sequence, and procedures of construction and safety of the construction site. All such construction shall conform to the requirements of both the most recently adopted version of the Standard Specifications for Public Works Construction (SSPWC), Standard Details for Public Works Construction (SDPWC), the Special Technical Specifications for Capital Contribution Front Ending Agreements (STS for CCFEAs), the approved plans, and the requirements of this chapter.

b) Shall attend the pre-construction conference initiated by the EOR. The contractor shall present a proposed construction schedule including construction milestones, and designate a representative who has the authority to resolve issues during construction.

c) Shall provide accessibility and exposure of all construction work subject to inspection until inspected by the EOR. Neither the RTC nor the EOR shall be liable for expenses entailed in the removal or replacement of any material required to allow inspection.

d) Shall notify the EOR two (2) working days in advance of initiating construction or resuming construction after any unscheduled interruptions.

SECTION 3 - INSPECTION REQUIREMENTS

1. GENERAL

For the purpose of implementing the requirements of this chapter, full-time inspection shall mean the EOR or his field inspector shall be present at all times to observe the operations of the contractor during the designated construction activity.

2. GRADING, EXCAVATION, AND FILLS

Full-time inspection of all materials, native or imported, to evaluate their compliance with the SSPWC and this chapter; that the subgrade is prepared according to the SSPWC; that all subgrade materials encountered are as expected according to the approved soils report, or if not, are appropriately addressed by over-excavation and stabilization with suitable material or as otherwise recommended in the approved soils report or by redesign of the pavement section.

3. STREET

Inspection to determine that alignment and grade of the street conforms to the improvement plans of record.

4. UNDERGROUND UTILITIES

a) Inspection of pipe materials and bedding prior to the placing of any pipe to evaluate conformance with the SSPWC. Collection of applicable manufacturer's certifications.

b) Inspection of installation of pipe laid to grade, mortar jointed or gasketed pipe prior to placing any material around or above pipe to evaluate conformance with the SSPWC.

c) Full-time inspection of each lift of backfill to evaluate conformance with the SSPWC.

d) Inspection for pipe installation, not including backfill, by utility company shall be the responsibility of the appropriate utility.

e) Inspection of construction and/or installation of manholes, catch basins, and drop inlets to evaluate compliance with the SSPWC.

f) Inspection of alignment and elevations to evaluate compliance with the improvement plans of record and specifications.

5. AGGREGATE BASE COURSES FOR STREETS, CURBS, GUTTERS, SIDEWALKS, AND ALLEYS

Inspection of all material brought to the site to evaluate uniformity with tested and approved samples; inspection of placement and compaction of aggregate base to evaluate compliance with the SSPWC and this chapter and to confirm that grades conform to those specified in the improvement plans of record.

6. REINFORCING STEEL, FORMS AND FALSEWORK

Inspection of reinforcing steel, forms, and falsework prior to placement of concrete to evaluate compliance with the improvement plans of record, specifications, shop drawings and the SSPWC.

7. PORTLAND CEMENT CONCRETE

Full-time inspection of all concrete pours including curb, gutter, sidewalks, driveway apron, alleys, valley gutters, structures, headwalls, slope paving and roadway pavement to evaluate compliance with the improvement plans of record, specifications, details, the SSPWC and this chapter.

8. ASPHALT CONCRETE

a) Full-time inspection to evaluate compliance with the improvement plans of record, details, specifications, the SSPWC, and this chapter.

b) Inspection at the plant may be required by the RTC Administrator or the EOR to monitor oil content, aggregate grading, mineral filler content and temperature.

9. PRIME COAT, TACK COAT, SEAL COAT AND SURFACE TREATMENT

Sufficient inspection to evaluate compliance with the SSPWC.

10. SEWER AND PRESSURE LINES

In addition to inspection required in Paragraph 4b above:

a) Sewer Lines: Ball and flushing operations shall be done in the presence of the EOR or his field inspector and the local governmental inspector.

b) Pressure Tests: To be accomplished in presence of the EOR or his field inspector to evaluate conformance with the SSPWC and this chapter.

11. LANDSCAPING WITHIN THE RTC RIGHT-OF-WAY OR WITHIN A PUBLIC IMPROVEMENT EASEMENT, COMMON AREA AMENITIES

Sufficient inspections to evaluate compliance with SSPWC, the improvement plans of record, and specifications.

SECTION 4 - TESTING REQUIREMENTS

Shall comply to the requirements set forth in the latest revision of the SSPWC and the STS for CCFEAs.

SECTION 5 - PERSONNEL QUALIFICATIONS

1. ENGINEER OF RECORD (EOR)

An Engineer of Record who is retained as a consultant by the owner is required to be legally authorized to practice civil engineering in the State of Nevada in accordance with Nevada Revised Statutes (NRS) Chapter 625.

A firm, a co-partnership, a corporation or joint-stock association may engage in the practice of Engineer of Record for the RTC, if the member or members of the firm, co-partnership, corporation or joint-stock association immediately responsible for engineering work performed in the RTC are Nevada registered professional civil or geological engineers in accordance with NRS Chapter 625.

EXHIBIT E

Every office or place of business of any firm, co-partnership, corporation or joint-stock association engaged as an Engineer of Record under these requirements shall have a registered professional civil engineer in residence and in direct responsible supervision of the work needed to satisfy the requirements of this chapter conducted in such office or place of business.

An Engineer of Record shall be familiar with the SSPWC, SDPWC, RTC and local government design standards, and all associated testing procedures.

2. FIELD INSPECTOR

a) General: The field inspector's qualifications shall include sufficient education and experience to assure understanding of the quality control principles and the ability to implement the procedures related to their assigned duties.

The education and experience requirements specified below shall not be treated as absolute when other factors provide reasonable assurance that a person can competently perform a particular ask. One factor may be "demonstrated capability" in a given job through previous performance.

b) Education and Experience: To be considered qualified as a RTC approved field inspector, a candidate must meet the general requirements as mentioned above and satisfy at least one of the following requirements:

1. High school graduate plus at least three years of construction quality control experience in equivalent testing, or inspection activities, or

2. Completion of college level work leading to an associates degree in a related discipline plus at least six months of construction control experience in equivalent testing, examination or inspection activities.

The field inspector shall be familiar with the SSPWC and this chapter, as well as all associated testing procedures.

3. TESTING TECHNICIAN

To be considered qualified as a RTC approved testing technician, a candidate must meet the general requirements mentioned in 2a) above and satisfy at least one of the following requirements:

a) One year of construction quality control experience in equivalent testing or inspection activities, or

b) High school graduate plus at least six months of construction quality control experience in equivalent testing or inspection activities, or

c) Completion of college level work leading to an associates degree in a related construction quality control discipline plus at least three months of experience in equivalent testing or inspection activities.

d) Completion of at least two years college level work towards a four-year degree in a related discipline plus at least three months of construction quality control experience in equivalent testing or inspection activities.

The testing technician shall be familiar with the testing procedures outlined in the SSPWC and this chapter.

4. TESTING FIRM

a) General: The testing services of the testing firm shall be under the direction of a registered civil or geological engineer in the State of Nevada who is a full-time employee of the firm and has at least 5 years engineering experience in the inspection and testing of soil, concrete, and asphalt.

b) Laboratory: The testing firm is responsible for laboratory testing of soil, concrete and asphalt and shall have suitable test equipment and laboratory facilities for storing, preparing and testing samples. The firm shall have the capability of performing all laboratory testing associated with its intended functions according to governing procedures and shall have the facilities and equipment required for all laboratory testing performed. If at any one time equipment or expertise in the performance of a specialized test is not available in-house, the services of a subconsultant or his equipment may be utilized.

As evidence of its competence to perform the required tests or inspections, the agency shall have its laboratory procedures and equipment inspected at intervals of not more than 3 years by a qualified authority in accordance with a recognized plan.

c) Quality of Testing Systems: The firm shall make available information (as applicable) describing its procedural systems (procedures which directly affect the quality of services offered). In addition, the firm shall maintain

EXHIBIT E

documentation which provides evidence of compliance with the requirements of its procedural systems. The agency's procedural systems shall include the following:

1. Equipment calibration programs.

2. Standardization of methods of test, measurement, and determination.

3. Data recording, processing, and reporting.

4. A current quality assurance manual.

EXHIBIT "F"
(Standard Specifications for Public Works Construction
Section 117.00
"Material and Workmanship – Warranty of Corrections")

EXHIBIT F

MATERIAL AND WORKMANSHIP - WARRANTY OF CORRECTIONS

Corrections ordered in accordance with General Provision 117.00, "Material and Workmanship" for items discovered in the year following final acceptance of the project shall be warranted for a one (1) year period following acceptance by the RTC of the correction. Should the correction itself prove defective, the Contractor shall be obliged to make further correction. The warranty period on the correction shall continue to be extended for one (1) year following acceptance by the RTC of the initial or any subsequent corrective actions.

EXHIBIT "G"
(Interim Credit Request Schedule)