



## Agenda Report

File #: 19-0186

### AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 3/6/2019

TO: Honorable Mayor and City Council Members

FROM: Public Works Department

**SUBJECT:**

City Council consideration of an Improvement Agreement for 2615 Tuscany Street (Tesla - Supercharger) - Tesla Inc., a California Corporation.

**RECOMMENDED ACTION:**

That the City Council authorize the Mayor to execute an Improvement Agreement between the City and Tesla Inc., a California Corporation.

**ANALYSIS:**

Tesla Inc., the developer for this project, is proposing to install new public electrical conduit and an electrical transformer for the purpose of servicing new Tesla and non-Tesla specific electrical vehicle charging stations. The work will start at the existing Department of Water and Power's electrical system located at the intersection of Tom Barnes Street and Grand Oaks and terminate at 2615 Tuscany Street, in the Target parking lot of the Crossings at Corona, as shown in Exhibit "A." The developer has obtained all necessary authorization from the Target Corporation and the property management for the Crossings at Corona.

The developer will enter into an Improvement Agreement with the City and post sufficient securities to guarantee public improvements associated with the project.

Securities have been posted as detailed below:

	Faithful Performance		Labor and Materials	
Project #	Security No.	Amount	Security No.	Amount
PWIM2018-0023				
Public Improvement DWG# 18-047EL	SU60879	\$351,000.00	SU60879	\$175,500.00

**COMMITTEE ACTION:**

Not applicable.

**STRATEGIC PLAN:**

Not applicable.

**FISCAL IMPACT:**

All applicable fees have been paid by the developer as follows:

PWIM2018-0023	Fee Type	Amount
2615 Tuscany St. Public Utility Improvements	Plan Check	\$1,455.00

**ENVIRONMENTAL ANALYSIS:**

This action approves an agreement that provides security to guarantee completion of improvements for a project that is categorically exempt pursuant to Section 15303(d) of the California Environmental Quality Act (CEQA) Guidelines, which states that a project which consists of construction or installation of new small utility equipment and facilities does not have a significant impact on the environment, and is therefore exempt from CEQA. Additionally, the project is categorically exempt pursuant to Section 15304(f) of the CEQA Guidelines, which states that a project which consists of minor alterations in the condition of land, such as minor trenching and backfilling where the surface is restored, does not have a significant impact on the environment, and is therefore exempt from CEQA.

**PREPARED BY:** CHRISTOPHER L. HORN, P.E., SENIOR CIVIL ENGINEER

**REVIEWED BY:** TOM KOPER, P.E., ASSISTANT PUBLIC WORKS DIRECTOR

**REVIEWED BY:** NELSON D. NELSON, P.E., PUBLIC WORKS DIRECTOR

**REVIEWED BY:** TOM MOODY, GENERAL MANAGER

**REVIEWED BY:** KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

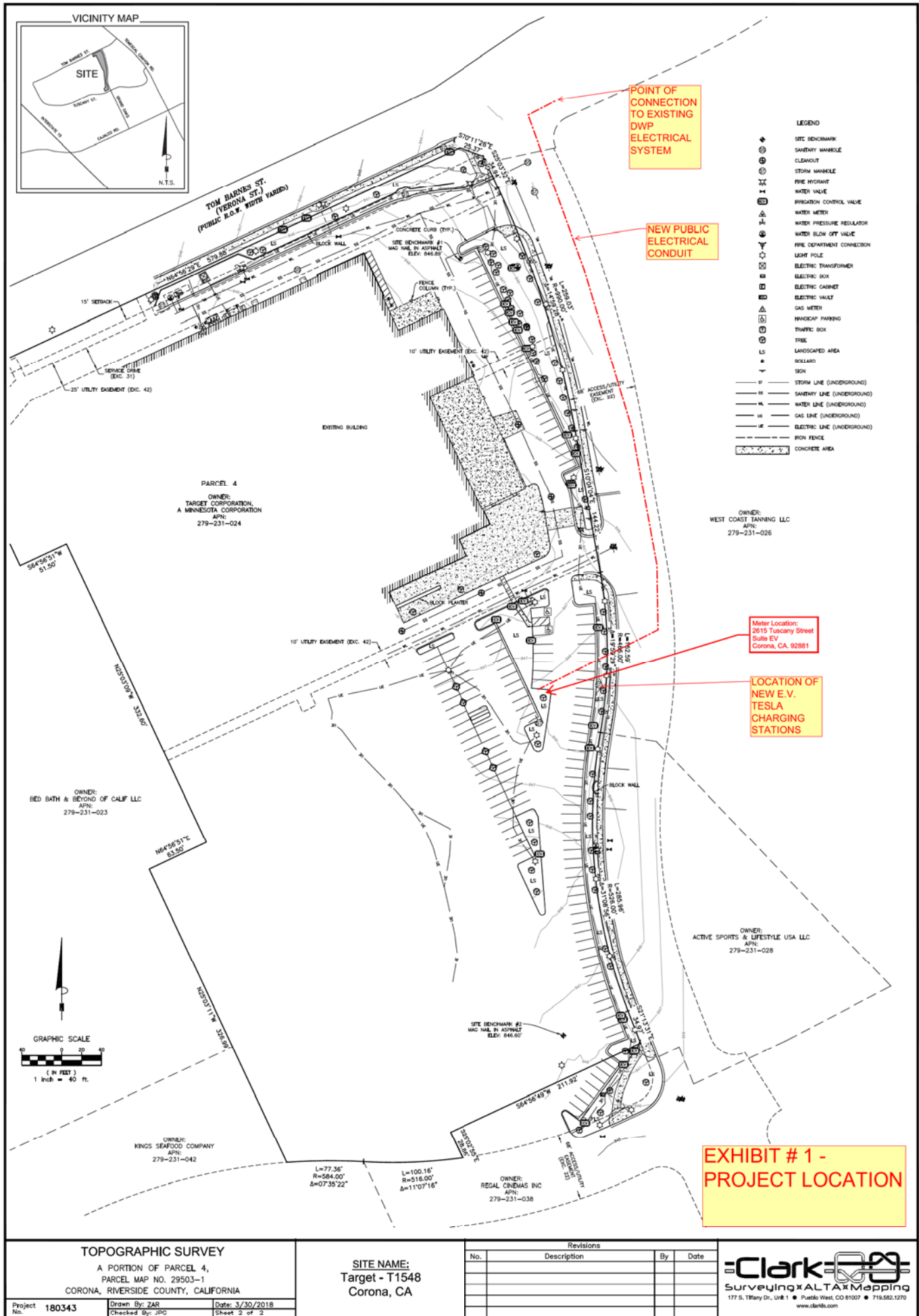
**SUBMITTED BY:** MICHELE NISSEN, ACTING CITY MANAGER

**Attachments:**

1. Exhibit "A" - Location Map
2. Agreement

Developer: Tesla, Inc.  
6900 Dumbarton Circle  
Fremont, CA 94555  
(619) 571-1412

Engineer: Pacific Utility Installation, Inc.  
1585 Harmony Circle  
Anaheim, CA 92807



**AGREEMENT FOR PUBLIC IMPROVEMENTS  
FOR 2615 TUSCANY STREET (TESLA - SUPERCHARGER) -  
On Site - Non-Public Improvements – DWG. # 18-047EL**

This Agreement is made and entered into as of this **6th day of March, 2019**, by and between the City of Corona, a municipal corporation (hereinafter referred to as "City"), and **Tesla, Inc., a California corporation**, with its principal offices located at, **6900 Dumbarton Circle, Fremont, CA 94555** (hereinafter referred to as "Developer").

**WITNESSETH:**

**FIRST:** Developer, for and in consideration of the approval by the City of the final map of that certain land division, or that certain other land development project, known as **Tesla - Supercharger** and more particularly described in Exhibit "A" attached agrees, at Developer's own expense, to furnish all labor, equipment and material necessary, and within **FORTY-EIGHT (48)** months from the date of this Agreement, to perform and complete in a good and workmanlike manner, all of the required improvements in accordance with those improvement plans for said project which have been approved by the Public Works Director, and are on file in the office of the City Clerk, and to do all work incidental thereto in accordance with the standards set forth in City ordinances and regulations, and pay all costs of engineering necessary in connection therewith, which are expressly made a part of this Agreement.

All of the above-required work shall be done under the inspection of and to the satisfaction of the Public Works Director, and shall not be deemed complete until approved and accepted as complete by the City. The Developer shall ensure that all employees or contractors completing the work and improvements in connection with this agreement have all licenses, permits, qualifications, acceptable insurance as required by the City and approvals from the City necessary to perform their respective work and that such requirements are maintained throughout the term of this agreement or any extensions thereto. Developer further agrees to guarantee the improvements for a period of one year following acceptance by the City and agrees during this one year period to repair and replace, to the satisfaction of the Public Works Director, any defective work or labor done or defective materials furnished. Developer shall complete the improvements in accordance with Section 66462, Government Code. Developer shall also complete any offsite improvements required as a condition of approval for the project and with plans approved by the Public Works Director at such time as the City acquires an interest in the land which will permit such improvements to be made, and the Developer waives the 120 day time limitation set forth in Section 66462.5, Government Code. The estimated cost of said work and improvements is the amount of **Three Hundred Fifty-One Thousand Dollars and No Cents (\$351,000.00)**. The work and improvements covered by this agreement may also include items in addition to those listed in Exhibit "B" if additional work or improvements are deemed necessary to protect public health or safety.

**SECOND:** Developer agrees to pay to the City the actual cost of such inspection of the work and improvements as may be required by the Public Works Director. Developer further agrees that, if suit is brought upon this Agreement or any bonds guaranteeing the completion of the improvements, all costs, expenses and fees, including attorney's fees, incurred by the City in enforcing such obligations shall be paid by Developer and guaranteed by the surety in addition to the face amount of the security, and that, upon entry of judgment, such costs, expenses and fees shall be included in any judgment rendered.

**THIRD:** City shall not, nor shall any officer or employee of City, except for its or their sole negligence, be liable or responsible for any accident, loss or damage happening or occurring to the improvements prior to the completion and approval thereof, nor shall City or any officer or employee thereof, be liable for any persons or property injured by reason of the nature of the work, or by reason of the acts or omissions of Developer, its agents or employees, in the construction of the improvements, and all of said liabilities are assumed by Developer. Developer agrees to defend, indemnify and hold harmless City and its officers and employees thereof from all loss, including attorney's fees, liability or claim because of, or arising out of the acts or omissions of Developer, its agents and employees, in the performance of this Agreement, or arising out of the use of any patent or patented article in the performance of this Agreement

**FOURTH:** Developer hereby grants to the City and any authorized agent or employee of the City, the irrevocable permission to enter upon the project for the purpose of completing the improvements. This permission shall terminate in the event that the Developer has completed construction of the improvements within the time specified or any extension thereof granted by the City.

**FIFTH:** Developer agrees at all times, up to the completion and acceptance of the improvements by the City, to give good and adequate warning to the traveling public of each and every dangerous condition caused by the construction of the improvements, and to protect the traveling public from such dangerous conditions. Developer shall keep all traveled ways that are a part of, or affected by the construction of this project free and clear of mud, dirt and debris and shall provide a minimum of twice monthly street sweeping service. A copy of the contract for street sweeping service shall be provided to the City. Developer's obligation for street sweeping shall continue until such time as the City accepts the improvements as being complete. The bonds securing performance of this Agreement shall secure developer's obligation under this provision.

**SIXTH:** Developer, its agents and employees, shall give notice to the Public Works Director at least 48 hours before beginning any work and shall furnish the Public Works Director all reasonable facilities and access for obtaining full information with respect to the progress and manner of work.

**SEVENTH:** If Developer, its agents or employees, neglects, refuses, or fails to construct the work with such diligence as to insure its completion within the specified time, or within such extensions of time that have been granted by the City, or if Developer fails to perform satisfactorily any of the provisions of the plans it shall be in default of this Agreement and written notice of such default shall be served upon Developer. The City Council shall have the power, on recommendation by the Public Works Director, to terminate all rights of the Developer because of such default. The determination by the Public Works Director whether any of the terms of the Agreement or plans have been violated, or have not been performed satisfactorily, shall be conclusive upon the Developer, and all parties who may have any interest in this Agreement or any portion thereof. The provisions of this section shall be in addition to all other rights and remedies available to the City at law or in equity.

**EIGHTH:** Developer agrees to file with City, prior to the date this Agreement is executed, (a) good and sufficient improvement security in an amount not less than the estimated cost of the work and improvements for the faithful performance of the terms and conditions of this Agreement, and (b) good and sufficient security for payment of labor and materials in the amount prescribed by City ordinances and regulations to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the California Civil Code. Developer agrees to renew each and every such bond(s) with good and sufficient sureties or increase the amounts of said bond(s), or both, within ten (10) days after being notified by the Public Works Director that the sureties or amounts are insufficient. Notwithstanding any other provision herein, if Developer fails to take such action as is necessary to comply with said notice, he shall be in default of this Agreement unless all required improvements are completed within ninety (90) days following the date on which the Public Works Director notified Developer of the insufficiency of the security or the amount of the bond(s) or both.

**NINTH:** Developer and the City and any surety or sureties on the bond(s) securing this Agreement agree that, in the event it is deemed necessary to extend the time for completion of the improvements and work to be done under this Agreement, extensions of time **may** be granted by the City, either at its own option, or upon request of Developer, and such extensions shall not affect the validity of this Agreement or release the surety or sureties on said bond(s). Developer agrees to maintain the aforesaid bond(s) in full force and effect during the terms of this Agreement, including any extensions of time as may be granted.

**TENTH:** If any provision of this Agreement is held by the courts to be unlawful and void, the validity of the remaining portions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid. This agreement and the obligations described herein are binding upon the project and successor owners thereof; provided, however, that Developer will remain obligated hereunder until such time as new agreements covering the matters described herein have been executed by the City and the new owner of the project.

**ELEVENTH:** Any notice or notices required or permitted to be given pursuant to this Agreement shall be given to the other party by mail, postage prepaid, at the following addresses:

**City:**

The City of Corona  
Public Works Department  
400 S. Vicentia Avenue  
Corona, CA 92882

**Developer:**

Tesla, Inc.  
6900 Dumbarton Circle  
Fremont, CA 94555  
(619) 571-1412

**IN WITNESS WHEREOF** Developer has affixed his name, address and seal.

**Tesla, Inc.,  
a California corporation**

By: \_\_\_\_\_

Signature

MAXIMILIEN DE ZEGHER  
Print Name

SR PROGRAM MANAGER, CHARGING INFRASTRUCTURE  
Title

**ATTEST:**

**CITY CLERK  
OF THE CITY OF CORONA**

**CITY OF CORONA**

By: \_\_\_\_\_  
(City Clerk)

By: \_\_\_\_\_  
(Mayor)

**(SEAL)**

**NOTE: TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS UNLESS CORPORATE DOCUMENTS ARE PROVIDED THAT INDICATE OTHERWISE.**

SIGNATURES OF DEVELOPER MUST BE EXECUTED AND ACKNOWLEDGED BEFORE A NOTARY  
ORIGINAL - CITY CLERK; COPIES - DEVELOPER AND PUBLIC WORKS PROJECT FILE

**EXHIBIT "A"**  
**LEGAL DESCRIPTION OF THE PROJECT**  
**SEE ATTACHED**


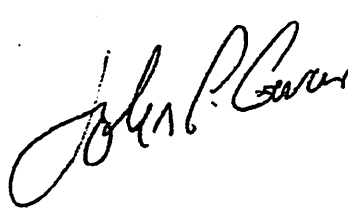
**EXHIBIT A**  
**UTILITY EASEMENT**

AUGUST 13, 2018

A PORTION OF PARCEL 4 OF PARCEL MAP NO. 29503-1, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 203, PAGES 73-77, INCLUSIVE OF PARCEL MAPS FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY NOVEMBER 20, 2002, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**COMMENCING** AT THE MOST NORTHEAST CORNER OF SAID PARCEL 4; THENCE ALONG THE EAST LINE OF SAID PARCEL 4, SOUTH 25°03'32" EAST 34.94 FEET TO THE BEGINNING OF A TANGENT 990.00 FOOT RADIUS CURVE, CONCAVE WESTERLY; THENCE SOUTHERLY 259.03 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 14°59'28"; THENCE SOUTH 10°04'03" EAST 144.22 FEET TO THE BEGINNING OF A TANGENT 466.00 FOOT RADIUS CURVE, CONCAVE WESTERLY; THENCE SOUTHERLY 11.79 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 01°26'58" TO THE **TRUE POINT OF BEGINNING**; THENCE CONTINUING SOUTHERLY 20.00 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 02°27'33"; THENCE LEAVING SAID EAST LINE SOUTH 82°36'40" WEST 29.95 FEET; THENCE NORTH 07°23'20" WEST 20.00 FEET; THENCE NORTH 82°36'40" EAST 29.95 FEET TO THE **TRUE POINT OF BEGINNING**.

CONTAINING 600 S.F. OR 0.014 ACRES, MORE OR LESS.



John P. Gervais  
California Professional Land Surveyor No. 8674  
For and on behalf of Clark Land Surveying, Inc.

**EXHIBIT "B"**  
**COST ESTIMATE**  
(To be provided by developer's engineer)

**SEE ATTACHED**

<b>Faithful Performance</b>	<b>\$351,000.00</b>
<b>Labor and Material</b>	<b>\$175,500.00</b>


## CALIFORNIA JURAT

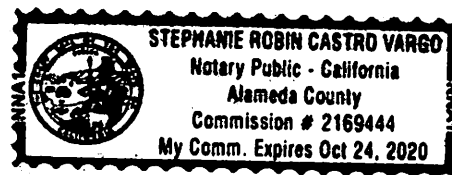
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA                    )  
  ) ss.  
COUNTY OF SANTA CLARA            )

Subscribed and sworn to (or affirmed) before me on this 5th day of February 2019, by **Max De Zegher**, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

WITNESS my hand and official seal.

  
\_\_\_\_\_(Seal)  
Notary Public  
State of California



**BOND ESTIMATE SHEET**  
(Use for Improvements Other than Grading Work Only)

Project: Tesla - Supercharger  
Location: 2615 Tuscany St, Corona, CA  
DWG No: A-3

DATE: 1/15/19

Description of Improvements <i>*Fill in as appropriate</i>	Construction Cost	Performance Bond	Labor & Materials
		Note 2 (Round up to nearest \$200)	Bond Note 3 (Round up to nearest \$100)
1 Non-Master Planned R/W (Public) Improvements			
2 Master-Planned R/W (Public) Improvements			
3 Interim Improvements (not including Grading Work)			
4 On-Site Public Improvements			
5 On-site Non-public Improvements	\$270,000	\$351,000	\$175,500
6 Additional Bond Improvements (beyond typical)			

**NOTES:**

- 1 All construction cost estimates should be attached to this form, and shall include publicly maintained landscape & irrigation.
- 2 Performance Bond Estimate shall be calculated at 130% of the estimated construction cost, to include Engineering, Contingencies, & Planning. The 130% is the estimated total construction
- 3 Labor & Material Bond Estimate shall be 50% of the calculated Performance Bond
- 4 City staff shall review all estimates and may change the amount of the engineer's estimated bonds.
- 5 A current title report shall be submitted for bonding purposes.

**PREPARED BY:**

  
Engineer's Name & Signature

Black & Veatch Corporation  
Company

913-458-9319, SommerfeldG@bv.com  
Tel No/Email

**WET STAMP & DATE**

