

September 1, 2026

Board of Supervisors
Kern County Administrative Center
1115 Truxtun Avenue
Bakersfield, CA 93301

PROPOSED SUBDIVISION IMPROVEMENT MAINTENANCE AGREEMENT FOR COMPLETED STREET, WATER, SEWER, AND DRAINAGE IMPROVEMENTS; REDUCTION OF FAITHFUL PERFORMANCE BOND FOR TRACT 6812, PHASE 1, WESTERN ROSEDALE AREA, AND PROPOSED RESOLUTION FOR THE ACCEPTANCE OF ROADS INTO THE COUNTY ROAD SYSTEM AND ACCEPTANCE OF STREET, AND DRAINAGE IMPROVEMENTS FOR MAINTAINED MILEAGE SYSTEM (S.D. #1)

(Fiscal impact: None)

The Public Works Department requests your Board's approval to reduce the Faithful Performance security instrument, received and filed by your Board on November 4, 2025, as Bond No. 100963414, issued by American Contractors Indemnity Company, for Tract 6812, Phase 1.

Faithful Performance Security, in accordance with the Subdivision Improvement Agreement, was provided in the amount of \$1,498,324 for street, water, sewer, and drainage improvements to be constructed.

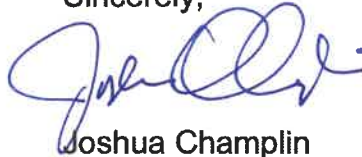
The Subdivision Improvement Agreement provides that Faithful Performance Security may be reduced by the Board of Supervisors to such an amount necessary to guarantee and maintain the improvement work against defects in materials and workmanship for a period of one year following the acceptance of the improvements by the Board.

Pursuant to the Land Division Ordinance, upon the completion and inspection of the work, the security retained for the improvements shall be reduced, and the developer enter into a Subdivision Improvement Maintenance Agreement as provided in Section 18.55.110 of the Land Division Ordinance. On April 20, 2026, a representative for the Public Works Department inspected the subject map and found the improvement work completed to County standards. Additionally, the inspector has received letters Vaughn Water Company and North of River Sanitary District stating they have accepted the water & sewer improvements constructed to serve Tract 6812, Phase 1 respectively.

Therefore, IT IS RECOMMENDED that your Board approve completed street, water, sewer, and drainage improvements; reduce the existing Faithful Performance Bond No. 100963414, in the amount of \$1,498,324, issued to American Contractors Indemnity Company, to \$149,832 for the guarantee and maintenance of the completed street, sewer, water, and drainage improvements against defects in materials and workmanship for a one-year period ending September 1, 2027; authorize the Chairman to sign the Subdivision Improvement Maintenance Agreement; and adopt the Resolution for acceptance of the roads within Tract 6812, Phase 1, into the County Road System and acceptance of street, and drainage improvement for maintenance.

GROUND  BOUNDLESS

Sincerely,

A handwritten signature in blue ink, appearing to read "Joshua Champlin", is positioned above the printed name.

Joshua Champlin
Director

JC:AN;RP:ss

Attachments

K:\Administration\Board\2026\09 - September\9-1-2026\D_Proposed Subdivision Improvement Maintenance Agreement - TR 6812\TM 6812-1_Subdivision Improvement Maintenance_BOS Letter_09-01-26.docx

cc: County Administrative Office

Summit Capital Ventures, Inc., 8701 Swigert Court, Bakersfield, CA 93311

McIntosh and Associates, 10800 Stockdale, Bakersfield, CA, 93311

Summit Capital Ventures INC., 8725 Swigert Court, Bakersfield, Ca 93311

American Contractor's Indemnity Company, 801 S. Figueroa St., Ste 700, Los Angeles, CA 90017

File

SUBDIVISION IMPROVEMENT MAINTENANCE AGREEMENT

TRACT 6812, PHASE 1

THIS AGREEMENT (this “**Agreement**”) is made and entered into on _____ (“**Execution Date**”), by and between **COUNTY OF KERN**, a political subdivision of the State of California (“**County**”), and **SUMMIT CAPITAL VENTURES, INC.**, a corporation authorized to do business in California and **JOHN BALFANZ HOMES, INC.**, a corporation authorized to do business in California. Summit Capital Ventures, Inc. and John Balfanz Homes, Inc., are collectively referred to as (“**Subdivider**”). County and Subdivider are referred to individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS

A. Section 18.55.080 of the Kern County Land Division Ordinance (“**Ordinance**”) provides:

"As a condition of approval of the final tract or parcel map of a subdivision in which any or all of the required improvement work has been completed and prior to release of the tract map for recordation, the subdivider shall enter into a maintenance agreement and provide a good and sufficient faithful performance security as specified by Section 66499 et seq. of the Subdivision Map Act and Section 18.55.090 of this title, conditioned upon maintenance of such improvement work for a period of one (1) year following the completion and approval of all required improvement work against any defective work or labor done or defective materials furnished in the performance thereof, and also conditioned upon the maintenance of the work of improvement against damage thereto after its approval by any other work undertaken by the subdivider. The board in the exercise of its reasonable discretion shall fix the amount of such security as it deems necessary. The form of all documents relating to such Faithful Performance security shall be subject to approval by county counsel. The faithful performance security shall be finally released one (1) year following the completion and approval of all required improvement work, provided that no defective work or labor done or defective materials furnished in the performance of the work has been discovered within such one (1) year period and reported in writing to the board; and further provided that no damage has been done to the required improvement work after its approval by any other work undertaken by the subdivider."

B. Subdivider will submit for approval to the Kern County Board of Supervisors (“**Board**”) the final map (“**Final Map**”) of Tract 6812, Phase 1 (“**Tract**”).

C. The improvement work (“**Improvement Work**”) is required to be completed according to the Street, Water, Sewer and Landscape Plans (“**Improvement Plans**”), on file in the Public Works Department (“**PW**”).

D. The Improvement Work was approved by County on April 20, 2026 (“**Approval Date**”).

E. The Board has by order fixed the sum specified in **Section 3** as the amount reasonable and necessary for the purposes of the required security.

AGREEMENT

1. **Completion of Improvement Work.** Subdivider represents to County that all of the Improvement Work was completed in accordance with Improvement Plans.

2. **Maintenance and Repair of Improvement Work- One Year.** Subdivider shall maintain and repair the Improvement Work for a period of one year from and after the Approval Date, against any defective work or labor done or defective materials furnished in the performance of the Improvement Work, and also against any damage to the Improvement Work after its approval as a result of any other work undertaken by Subdivider. All maintenance and repair work shall be measured by Improvement Plans.

3. **Improvement Security.**

a. **Improvement Security.** Subdivider shall file with the Clerk of the Board, prior to the approval of the Final Map of the Tract, good and sufficient improvement security for faithful performance ("**Improvement Security**") in accordance with Sections 66499 et seq. of the Subdivision Map Act ("**Map Act**"), and Section 18.55.090 of the Ordinance.

b. **Purpose of Improvement Security.** The Improvement Security shall secure faithful, proper, full and timely completion of all of Subdivider's covenants in this Agreement, including maintenance of improvements pending acceptance or approval, repair of damage to accepted work, and guarantee against defects, as provided in this Agreement.

c. **Amount of Improvement Security.** The amount of the Improvement Security as required by this Agreement is \$149,832, payable in lawful money of the United States.

d. **Form of Improvement Security Conforms with Ordinance.**

i. **Corporate Surety Bond.** If the Improvement Security is in the form of a Corporate Surety Bond, it shall comply with Sections 18.55.090.E and F of the Ordinance and shall contain those provisions in Section 18.55.090.G of the Ordinance.

ii. **Letter of Credit.** If the Improvement Security is in the form of a Letter of Credit, it shall comply with Section 18.55.090.H of the Ordinance and shall contain those provisions in Section 18.55.090.H.4 of the Ordinance. The Letter of Credit shall further provide that the bank or other institution issuing the Letter of Credit agrees to pay County all costs and fees, including reasonable attorney's fees, incurred by County in enforcement of the Letter of Credit or collection of any draft drawn under it. Subdivider shall furnish a new Letter of Credit, or other form of Improvement Security under Section 18.55.090 of the Ordinance, at least 60 days prior to expiration of the then-issued Letter of Credit, in the same amount. If Subdivider fails to do so, the full amount of the Letter of Credit shall be immediately payable to County, and the proceeds shall be held in trust by County for like security purposes under Section 18.55.090 of the Ordinance, and any

sum paid to County may be deposited by it in banks or otherwise invested in the manner provided by law for trust funds in its custody, in which case County shall be entitled to retain all interest, if any, earned while so deposited or invested.

e. **Improvement Security Held in Trust.** In accordance with Government Code Section 66499.6, the Improvement Security shall be held by County as a trust fund to guarantee and secure faithful performance of the covenants of Subdivider contained in this Agreement, and shall not be subject to levy or attachment by any creditors of Subdivider, except when and to the extent it is released as provided in this Agreement.

f. **Improvement Security Substituted.** All Improvement Security shall remain in full force and effect, and any Improvement Security in form other than a Corporate Surety Bond shall be held and retained by County, at all times until released in accordance with this Agreement. However, with approval of the Board, one form of security authorized by Section 18.55.090 of the Ordinance may be substituted for security previously furnished.

g. **No Limitation on Subdivider's Liability.** The extent of Subdivider's liability under this Agreement shall not be deemed limited to the amount of the Improvement Security. No limitation on the liability of a Corporate Surety Bond shall be construed as a limitation on the liability of Subdivider.

4. **Default by Subdivider.**

a. **County Resort to Improvement Security.** If Subdivider fails to (i) promptly begin any repair work required under Section 2 or (ii) diligently and continuously proceed with any repair work required under Section 2 within 14 days after County has given Subdivider written notice to do so, County shall be entitled, at its option and in the discretion of the Board, without further notice to Subdivider, to resort to the Improvement Security and receive from the proceeds, free and clear of all trusts, an amount as the Board determines to be the cost of the repair work, without prejudice to any other remedy County may have, at law or in equity, including the option to cause the repair work to be done under Section 4.b.

b. **County Completion of Improvement Work.** As an alternative remedy to that specified in Section 4.a, if Subdivider fails to (i) promptly begin any repair work required under Section 2 or (ii) diligently and continuously proceed with any repair work required under Section 2 within 14 days after County has given Subdivider written notice to do so, County shall be entitled, at its option and in the discretion of the Board, without further notice to Subdivider, to cause any or all of the repairs required under Section 2 to be done, for the account and at the expense of Subdivider.

c. **Methods of County Completion of Improvement Work.** If County elects to proceed under Section 4.b, County may cause the Improvement Work to be done by independent contractors, by County officers and employees, by the services of any public agency, or by any public utility, or by any combination. County may cause any necessary additional planning to be done or specifications to be prepared, and may procure or provide equipment, fuel, materials, labor, supervision, inspection, expert assistance, insurance and bonds, as may appear reasonably necessary to properly accomplish the repairs. If County causes any of the repairs to be done, it shall be

entitled, without further notice to Subdivider, to resort to the Improvement Security and receive from the proceeds, free and clear of all trusts, the cost of the repair work, without prejudice to any other remedy that County may have, at law or in equity.

d. **Cost of Completion Greater than Improvement Security.** If the costs to complete the repairs exceed the proceeds from the Improvement Security, Subdivider shall pay to County, within 30 days after written demand, the amount of the deficiency.

e. **Attorneys' Fees.** If any suit is brought by County for recovery of any deficiency, as provided in **Section 4.d**, Subdivider shall pay County reasonable attorneys' fees and costs of suit, as the Court may determine, as allowed under Section 66499.4 of the Map Act.

5. **Improvement Security Released.** The Improvement Security shall be finally released to Subdivider one year following the Approval Date, provided that no defective work done or defective materials furnished in the performance of the Improvement Work has been discovered within the one-year period and reported in writing to the Board, and further provided that no damage has been done to the Improvement Work after its approval by any other work undertaken by Subdivider.

6. **Notices.** Any notices to the Parties required by this Agreement shall be in writing and shall be personally delivered or sent by First-Class Mail, return receipt requested and postage prepaid, courier service, or by express overnight delivery service (such as Federal Express) to the following addresses, unless a Party has been notified in writing by the other Party of a change of address:

To Subdivider: Summit Capital Ventures, Inc.
8701 Swigert Court
Bakersfield, CA 93311
Attn: Greg Balfanz

With a copy to: McIntosh & Associates
10800 Stockdale Highway, Suite 103
Bakersfield, CA 93311
Attn: Julie Green

To County: County of Kern
Public Works Department
2700 "M" Street, Suite 570
Bakersfield, CA 93301
Attn: Rodd Parke

With a copy to: Kern County Counsel's Office
1115 Truxtun Avenue, 4th Floor
Bakersfield, CA 93301

7. **Miscellaneous.**

a. **Covenant of Further Assurances.** County and Subdivider shall take all other actions and execute all other documents that are reasonably necessary to effectuate this Agreement.

b. **Negation of Partnership.** County shall not become or be deemed a partner or joint venturer with Subdivider or associate in any relationship with Subdivider other than that of parties to a contract, by reason of the provisions of this Agreement. Subdivider shall not for any purpose be considered an agent, officer, or employee of County.

c. **Waiver.** No term, covenant or condition of this Agreement may be waived without the prior written consent of the other Party. Forbearance or indulgency by a Party shall not constitute a waiver of that term, covenant or condition, and a Party shall be entitled to exercise any remedy under this Agreement or any other legal or equitable remedy, despite any forbearance or indulgence. No waiver by a Party of any breach under this Agreement shall constitute a waiver of any other breach, whether of the same or of any other covenant or condition. No waiver given by either Party shall give the other Party a contractual right by custom, estoppel or otherwise which is in conflict with any written provision of this Agreement.

d. **Incorporation of Prior Agreements.** This Agreement contains all agreements of the Parties with respect to any matter mentioned herein. No prior agreement or understanding pertaining to any such matter shall be effective.

e. **Remedies not Exclusive.** The use by either Party of any remedy specified herein for the enforcement of this Agreement is not exclusive and shall not deprive such Party of, or limit the application of, any other remedy provided by law, at equity, or otherwise.

f. **Severability.** If any part, term, portion or provision of this Agreement is decided finally to be in conflict with any law of the United States or the State of California, or otherwise be unenforceable or ineffectual, the validity of the remaining parts, terms, portions or provisions shall be deemed severable and shall not be affected thereby, provided such remaining portions or provisions can be construed in substance to constitute the agreement which the Parties intended to enter into in the first instance.

g. **Governing Law; Venue.** The Parties agree that the provisions of this Agreement shall be construed pursuant to the laws of the State of California. If either Subdivider or County initiates an action to enforce the terms of this Agreement or to declare rights hereunder, the venue shall be the Kern County Superior Court, it being understood that this Agreement is entered into, and will be performed, within the County of Kern.

h. **Successors; Termination of Rights and Obligations.** The terms, covenants, conditions and restrictions in this Agreement shall be binding on, and inure to the benefit of, the Parties and their respective parent, subsidiary or affiliated organizations, administrators, agents, attorneys, beneficiaries, conservators, custodians, directors, employees, executors, guardians, heirs, independent contractors, joint venturers, members, officers, partners, predecessors, representatives, servants, stockholders, successors and all others acting for, under or in concert with it, including associations, corporations, limited liability companies, and general or limited partnerships, present

and future, as their interests may appear and shall continue as a servitude running with the Tract until the Improvement Security is released as provided in **Section 5**. A Party's rights and duties, obligations and responsibilities under this Agreement terminate upon transfer of that Party's interest in the Tract, except that liability for acts or omissions occurring prior to transfer shall survive transfer.

i. **No Third Party Beneficiaries.** This Agreement is made for the sole benefit of the Parties and their respective heirs, executors, administrators, successors, and assigns, and no other persons shall have any right of action hereon.

j. **Covenants and Conditions.** Each provision of this Agreement to be performed by Subdivider shall be deemed both a covenant and a condition.

k. **Modification.** This Agreement may be modified or amended only by a written document signed by both Parties.

l. **Authorization.** Each individual executing this Agreement on behalf of either Party represents and warrants that he/she is duly authorized to execute and deliver this Agreement on behalf of that Party, and that is binding upon both Parties in accordance with its terms.

m. **Construction.** The Parties acknowledge that each Party and its counsel have reviewed and revised this Agreement, and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement or any amendments or exhibits to this Agreement.

n. **Computation of Time.** The time in which any act under this Agreement is to be done shall be computed by excluding the first day and including the last day. If the last day of any time period shall fall on a Saturday, Sunday or legal holiday, then the duration of such time period shall be extended so that it shall end on the next succeeding day which is not a Saturday, Sunday or legal holiday. Unless preceded by the word "business," the word "day" shall mean a "calendar" day. The phrase "business day" shall mean a day on which the Kern County Superior Court is open for business.

o. **Plurals and Genders.** The use of plurals includes the singular, and the use of masculine, feminine or neuter gender includes the other.

p. **Recitals.** Each of the recitals is incorporated in this Agreement by reference as if fully set forth in this Agreement at length, is deemed to be the agreement and a reflection of the intent of the Parties, and is relied upon by the Parties in agreeing to the provisions of this Agreement and in interpreting its provisions.

q. **Captions.** Paragraph headings in this Agreement are used solely for convenience, and shall be wholly disregarded in the construction of this Agreement.

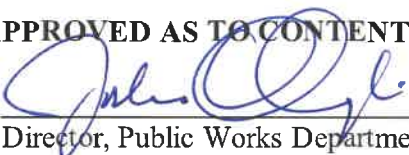
r. **Exhibits.** All exhibits attached to this Agreement are incorporated into this Agreement by reference.

s. **Time of Essence.** Time is hereby expressly declared to be of the essence of this Agreement and of each and every provision hereof, and each such provision is hereby made and declared to be a material, necessary, and essential part of this Agreement.

t. **Counterparts.** This Agreement may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument.

The Parties have executed this Agreement on the Execution Date.

APPROVED AS TO CONTENT:

By: 
Director, Public Works Department

COUNTY OF KERN

By: _____
"County"

APPROVED AS TO FORM:

By: _____
Deputy County Counsel

(Printed Name)

(Title)

SUBDIVIDER

Summit Capital Ventures, Inc.

By: 

John Balfanz Homes, Inc.

By: 

ACKNOWLEDGMENT

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
County of Kern

On August 5, 2026 before me, Mary Moreno Notary Public
(insert name and title of the officer)

personally appeared Greg Balfanz
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

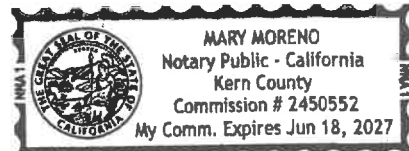
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Mary Moreno

(Seal)



**BEFORE THE BOARD OF SUPERVISORS
COUNTY OF KERN, STATE OF CALIFORNIA**

In the matter of:

Resolution No. _____

**TRACT 6812, PHASE 1; ACCEPTANCE OF
ROADS INTO THE COUNTY ROAD
SYSTEM AND ACCEPTANCE OF STREET,
DRAINAGE, AND LANDSCAPE
IMPROVEMENTS INTO THE MAINTAINED
MILEAGE SYSTEM**

I, NANCY ANDERSON, Clerk of the Board of Supervisors of the County of Kern,
State of California, certify that the following resolution, on motion of Supervisor _____,
seconded by Supervisor _____, was duly passed and adopted by the Board of
Supervisors of the County of Kern at a regular meeting on the ____ day of _____,
20__, by the following vote:

AYES:

NOES:

ABSENT:

NANCY ANDERSON
County Administrative Officer
Clerk of the Board

Deputy Clerk

RESOLUTION

Section 1. WHEREAS:

(a) The following described real property was accepted for public use subject to
improvement (pursuant to Government Code Section 66477.1):

Alpenglow Street, Jhana Lane, Lake Geneva Street, Leonard L. Alvarado Road, and Saint Bernard Avenue within Tract Map 6812, Phase 1; recorded in Book 68 of Maps at Pages 159-162 in the Office of the Kern County Recorder, also being a Subdivision of a Portion of the Lot 1 of Lot Line Adjustment No. 18-22 per Certificate of Compliance recorded May 9, 2025 as Document No. 225052574 of Official Records, in the Office of the Kern County Recorder, also being a Portion of the Northeast Quarter of Section 15, Township 29 South, Range 26 East, M.D.B.M., in the unincorporated area of the County of Kern.

Section 2. IT IS RESOLVED by the Board of Supervisors of the County of Kern, State of California, as follows:

1. Alpenglow Street, Jhana Lane, Lake Geneva Street, Leonard L. Alvarado Road, and Saint Bernard Avenue within Tract Map 6812, Phase 1; are hereby accepted into the Kern County Road System for maintenance purposes.

2. All street, drainage, and landscape improvements within Tract 6812, Phase 1; are hereby accepted into the Maintained Mileage System.

3. The Clerk of this Board shall cause a certified copy of this Resolution to be filed for recordation with the County Recorder.

4. The Clerk of the Board of Supervisors shall transmit copies of this Resolution to the following:

Planning and Natural Resources Department
Public Works – (County Surveyor's Office, Building and Development,
Flood/Drainage/Grading, Permits, Administration and Engineering, GIS,
Maintenance, Traffic)
County Counsel

#28Z3125-JHR