

AGREEMENT FOR CONSTRUCTION AND USE OF SEWER FACILITIES (RUMLEY BUY-BACK AGREEMENT)

THIS AGREEMENT, entered into this _____ day of _____, 2009, by and between Stuart and Lorraine Rumley, hereinafter called “Developers” and OAK KNOLL SEWER MAINTENANCE DISTRICT of the County of San Mateo, State of California, hereinafter called “District”.

WITNESSETH:

WHEREAS, the County of San Mateo Board of Supervisors acts as the governing board of the OAK KNOLL SEWER MAINTENANCE DISTRICT, and

WHEREAS, Section 20793 of the California Public Contract Code authorizes said District to contract with any person, firm or corporation for the joint use of sewer facilities, and for the construction, maintenance and payment for said facilities as stipulated by terms and conditions which may be agreed upon by the parties; and

WHEREAS, Developers agree to construct, or cause to be constructed, the sewer facilities in the vicinity of 750 Hillcrest Drive, Redwood City, CA at their own expense and thereafter to convey said facilities to said District for the joint use by the Developers and the District; and

WHEREAS, in consideration of Developers’ construction of said sewer facilities and the conveyance of the facilities to the District, District shall attempt to cause reimbursement to be made to Developers by future users of said system as a condition for granting permission to connect to the new sewer facilities pursuant to the terms and conditions set forth herein:

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO as follows:

1. Construction of Sewer Facilities by Developers

Developers shall furnish or cause to be furnished, at their own expense, all labor, materials, tools, and equipment and all incidental work and services required for the construction of a sanitary sewer system consisting of approximately 651 L.F. of 6" diameter HDPE sewer line, manholes and appurtenances from the vicinity of 750 Hillcrest Drive to an existing sanitary sewer main in accordance with the Sewer Improvement Plans and Sewer Main Extension at 750 Hillcrest Drive, Redwood City, CA prepared by HANNA Engineering, Inc., 1428 Alvarado Avenue, Burlingame, CA dated on December 17, 2007 on file in the office of the Director of Public Works. The construction of said sanitary sewer facilities shall be done under the supervision of, and to the complete satisfaction of, the District.

2. Conveyance of Sewer Facilities to District by Developers

Upon the completion of said sanitary sewer facilities in the manner herein provided, and upon the acceptance of said facilities by District, Developers shall offer to convey to District all rights, title and interest in said sanitary sewer facilities free and clear of all costs, liens, encumbrances, or liabilities in connection therewith, except for reimbursement from future connection charges to said sanitary sewer as hereinafter provided. Said offer shall be in the form of Exhibit "C" "Offer of Dedication of Sewer Main Extension" to this Agreement. It is expressly understood that unless and until said sanitary sewer is constructed in the manner herein provided, is accepted by the Director of Public Works, on behalf of the District, and is conveyed by Developers to District, title to said sanitary sewer shall remain with Developers, and District shall have no obligation whatsoever with respect to the maintenance of said sanitary sewer.

3. Reimbursement to Developers

As a condition of granting permission to future users to connect to the system, District shall require that such future users reimburse Developers a portion of the total construction cost, to include engineering, by each property owner desiring to connect their property to the portion of sewer main constructed by the Developers.

The property owners of properties desiring connection shall pay all Buy-in fees in accordance with the schedule in Exhibit "A" attached hereto and incorporated herein. The District will not collect a sewer connection charge from said property owners provided that the Buy-in amount is greater than the sewer connection charge in effect at the time the connection is requested. The District's (*Oak Knoll Sewer Maintenance District*) sewer connection charge was calculated to represent anticipated build-out costs of the District's sewer system. Construction costs indicated in Exhibit "B" attached hereto, shall be calculated annually based on the Construction Cost Index (CCI) as determined for the San Francisco Bay Area and listed in the Engineering News-Record based on 8551.32, published for December 22, 2008. Upon receipt of said payment of fees from the property owners, the District shall attempt to refund the Developers within (60) days.

Developers shall transmit annually to the District their current mailing address in order that funds collected on their behalf may be dispersed properly. Failure on the part of the Developers to provide a current and complete address may result in delay for the delivery of any refund. The District shall not be held financially liable or responsible for the failure of the Developers to receive said refunds once transmitted by the District or for failure on the part of the District to collect all sums which may be due the Developers.

It is understood that the District has no obligation to collect reimbursement monies under this Agreement.

4. **Termination**

This Agreement shall terminate on February 24, 2019.

5. **Hold Harmless**

Developers shall indemnify and save harmless the County of San Mateo, District, their officers, agents, employees and servants from all claims, suits or actions of every name, kind and description including those to which injunctive or declaratory relief is sought based whole or in part on the District's entering into this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first hereinabove written.

"DISTRICT"

OAK KNOLL
SEWER MAINTENANCE DISTRICT

Mark Church
President, Board of Supervisors
County of San Mateo
Governing Board of said District

ATTEST:

David S. Boesch
County Manager/Clerk of the Board

"DEVELOPERS"

BY Stuart Rumley 1/29/09
Stuart Rumley Date

BY Lorraine Rumley 1/29/09
Lorraine Rumley Date

EXHIBIT "A"

TO RUMLEY BUY-BACK AGREEMENT

Schedule of payments to be paid by future users to Developers

DEVELOPERS:

Stuart Rumley and Lorraine Rumley, property owners of 750 Hillcrest Drive, Redwood City, CA are original Developers extending the existing sanitary sewer main in the Oak Knoll Sewer Maintenance District (District).

A. DESCRIPTION

The Developers constructed the sanitary sewer main extension (Rumley sewer main extension) within the public right-of-way adjacent to 762, 750, 742, 734, 730, 728, 726, and 716 Hillcrest Drive and 654, 693, and 687 Upland Road to an existing District sewer main in accordance with the Sewer Improvement Plans and Sewer Main Extension at 750 Hillcrest Drive, Redwood City, CA prepared by HANNA Engineering, Inc., 1428 Alvarado Avenue, Burlingame, CA dated on December 17, 2007 on file in the office of the Director of Public Works.

B. AGREEMENT TERMS

Developers have ten (10) years to receive a prorated reimbursement from property owners connecting to the sanitary sewer main extension. **Term is from February 24, 2009 through February 24, 2019.**

C. TOTAL COST OF CONSTRUCTION

The Developers' total cost of construction for this project is: **\$170,389.98**

D. REIMBURSEMENT TO DEVELOPERS

Reimbursements to Developers shall be in accordance with the formula described below. Buy-in costs will be updated by Department of Public Works whenever a new property owner requests connection to the sewer line extension. Base Construction Cost Index or CCI is established as **8551.32**, published in Engineering News-Record for December 22, 2008.

Buy-in Formula

In consideration of District's permission to connect to the system, which includes improvements installed and financed by Developers, anyone connecting to the Rumley sewer main extension

from February 24, 2009 to February 24, 2019, will be required by District to Buy-in to the sewer main extension throughout the ten-year Agreement Term Period. The District will not collect a sewer connection charge from said property owners provided that the Buy-in amount is greater than the sewer connection charge in effect at the time the connection is requested. The District's (*Oak Knoll Sewer Maintenance District*) sewer connection charge was calculated to represent anticipated build-out costs of the District's sewer system. The construction cost for the original developers is **\$170,389.98**.

First Buy-in

Family A - Formula: To recalculate the buy-in for Family A.

1. Begin with the original total construction and engineering costs (\$170,389.98)
2. Adjust #1 above for the Construction Cost Index to compute adjusted costs;
3. Divide #2 above by 2 to yield the buy-in cost for Family A.;
4. Divide the adjusted buy-in cost (item 3) by 1 to yield the distribution to the Developers.

Second Buy-in

Family B - Formula: To recalculate the buy-in for Family B.

1. Begin with the original total construction and engineering costs (\$170,389.98)
2. Adjust #1 above for the Construction Cost Index to compute adjusted costs;
3. Divide #2 above by 3 to yield the buy-in cost for Family B.
4. Divide the adjusted buy-in cost (item 3) by 2 to yield the distribution to Family A and the Developers.

Third Buy-in

Family C - Formula: To recalculate the buy-in for Family C.

1. Begin with the original total construction and engineering costs (\$170,389.98)
2. Adjust #1 above for the Construction Cost Index to compute adjusted costs;
3. Divide #2 above by 4 to yield the buy-in cost for Family C.
4. Divide the adjusted buy-in cost (item 3) by 3 to yield the distribution to Families A, B and the Developers.

Fourth and successive Buy-in's

Repeat the model for successive buy-in's.

* * * * *

EXHIBIT "B"

TO RUMLEY BUY-BACK AGREEMENT

CONSTRUCTION COSTS

I.	San Mateo County Permits & Fees		
	Sewer inspection fees	\$802.40	
	Road inspection fees	\$296.58	
			<u>\$1,098.98</u>
II.	Engineering Drawings		\$5,400.00
III.	EPS Inc. Construction		
	6 inch sewer main & Five Manholes	\$91,400	
	Pot Holing	\$27,000	
	Unforeseen Event (Rock) Additional 7 Days of Work,	\$45,500	
			<u>\$163,900.00</u>
IV.	TOTAL:		<u>\$ 170,398.98</u>

REQUESTED BY:

COUNTY OF SAN MATEO
DEPARTMENT OF PUBLIC WORKS

OFFER OF DEDICATION OF SEWER MAIN EXTENSION

WITNESSETH

THAT Stuart and Lorraine Rumley, hereinafter called "Developers" having participated in constructing an extension of a sewer main facility for transporting sewage to portions of Hillcrest Drive in the Oak Knoll Sewer Maintenance District (District), and;

THAT Developers having completed construction of said facilities in compliance with the Standards of construction required by the District,

NOW, Therefore Stuart and Lorraine Rumley hereby offer approximately 651 linear feet of said sewer construction, located in the public right-of-way in the vicinity of 762, 750, 742, 734, 730, 728, 726, and 716 Hillcrest Drive, 654, 693, and 687 Upland Road to the Oak Knoll Sewer Maintenance District, as plant improvements for operation and maintenance, and, upon acceptance by District, Developers relinquish all further claims in said facilities.

This Dedication shall be binding upon the undersigned, their heirs, executors, administrators, successors, transferees and assignees, with respect to said above described facilities.

Executed this 29 day of Jan, 2009 at Redwood City,
California.

"DEVELOPERS"

BY


STUART RUMLEY, 1/29/09
Date


LORRAINE RUMLEY, 1/29/09
Date

**COUNTY OF SAN MATEO
STATE OF CALIFORNIA
NOTARY**

ACKNOWLEDGMENT

State of California
County of San Mateo

On 1/29/2009 before me, William Charles Pattison, Notary Public
(insert name and title of the officer)

personally appeared Stuart Rumley and Lorraine Rumley
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 [Handwritten Signature] (Seal)

