

**AGREEMENT FOR CONSTRUCTION AND USE OF SEWER
FACILITIES (COCCO-EGAN BUY-BACK AGREEMENT)**

THIS AGREEMENT, entered into this _____ day of _____, 2016, by and between Michael and Judith Cocco and Anthony J. and Carol A. Egan, hereinafter called "Developers" and OAK KNOLL SEWER MAINTENANCE DISTRICT of the County of San Mateo, State of California, hereinafter called "District".

W I T N E S S E T H:

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, Michael and Judith Cocco, are the Property Owners of 764 Hillcrest Drive and 787 Hillcrest Drive (Parcel 2 – 785 Hillcrest Drive), and Anthony J. and Carol A. Egan, are the Property Owners of 787 Hillcrest Drive (Parcel 1 – 789 Hillcrest Drive) having participated in constructing an extension of a sewer main facility for transporting sewage to the sewer facilities of the District; and

WHEREAS, Developers have constructed, the sewer facilities in the vicinity of 764 and 787 Hillcrest Drive, Redwood City, CA at their own expense and thereafter will 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 have 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 568 L.F. of 6" diameter PVC sewer line, manholes and appurtenances from the vicinity of 764 and 787 Hillcrest Drive to an existing sanitary sewer

flushing inlet in accordance with the "As-Built" Sewer Improvement Plans and Sewer Main Extension at 764 and 787 Hillcrest Drive, Redwood City, CA prepared by MacLeod and Associates, 965 Center Street, San Carlos, CA dated on October 21, 2015 on file in the office of the Director of Public Works. The construction of said sanitary sewer facilities has been 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 said sanitary sewer has been constructed in the manner herein provided, is accepted by the Director of Public Works, on behalf of the District, and that unless and until it 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. Developers have agreed that future reimbursements subject to this Agreement are to be apportioned to Developers based on property ownership (2/3 Cocco and 1/3 Egan).

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 11155.41, published for December 14, 2015. 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 September 5, 2026.

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

President, Board of Supervisors
County of San Mateo
State of California
Governing Board of said District

ATTEST:

John L. Maltbie
County Manager/Clerk of the Board

"DEVELOPERS"

BY Michael Cocco 8/1/16
Michael Cocco Date

BY Judith Cocco 8-1-16
Judith Cocco Date

BY Anthony J. Egan 7/28/16
Anthony J. Egan Date

BY Carol A. Egan 7/28/16
Carol A. Egan Date

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

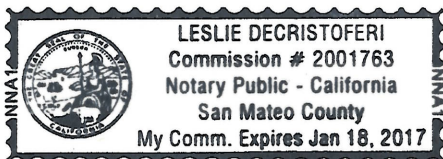
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
 County of San Mateo)
 On July 28, 2016 before me, Leslie DeCristoferi,
 Date Here Insert Name and Title of the Officer
 personally appeared Anthony J Egan and Carol A Egan
 Name(s) of Signer(s)

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 Leslie DeCristoferi
 Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: agreement Document Date: _____
 Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
 Signer Is Representing: _____

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
 Signer Is Representing: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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State of California)

County of San Mateo)

On 08/01/2016 before me, Bryan Matthew Mackay, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Michael Corco

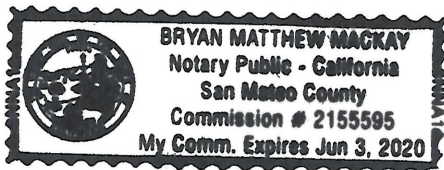
Name(s) of Signer(s)

Justin Corco

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.

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WITNESS my hand and official seal.



Signature

[Signature]
Signature of Notary Public

Place Notary Seal Above

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Description of Attached Document

Title or Type of Document: Agreement Document Date: _____

Number of Pages: 4 Signer(s) Other Than Named Above: Egan and Egan

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

EXHIBIT “A”

TO COCCO - EGAN BUY-BACK AGREEMENT

Schedule of payments to be paid by future users to Developers

DEVELOPERS:

Michael and Judith Cocco and Anthony J. and Carol A. Egan, property owners of 764 Hillcrest Drive and 787 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 (Cocco-Egan sewer main extension) within the public right-of-way adjacent to 764, 775, 787, 795, 803, 811, 818, 831, 835, and 836 Hillcrest Drive to an existing District sewer main in accordance with the “As-Built” Sewer Improvement Plans and Sewer Main Extension at 764 and 787 Hillcrest Drive, Redwood City, CA, prepared by MacLeod and Associates, 965 Center Street, San Carlos, CA dated on October 21, 2015 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 September 6, 2016 through September 5, 2026.**

C. TOTAL COST OF CONSTRUCTION

The Developers’ total cost of construction for this project is: **\$136,785.45**

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 **11155.41**, published in Engineering News-Record for December 14, 2015.

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 Cocco-Egan sewer main extension from September 6, 2016 through September 5 2026, 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 **\$136,785.45**.

First Buy-in

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

1. Begin with the original total construction and engineering costs (\$136,785.45.)
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 A.;
4. Multiply #3 above by 2/3 to yield the distribution to the Cocco Family
5. Multiply #3 above by 1/3 to yield the distribution to the Egan Family.

Second Buy-in

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

1. Begin with the original total construction and engineering costs (\$136,785.45)
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 B.
4. Multiply #3 above by 2/3 to yield the distribution to the Cocco Family
5. Multiply #3 above by 1/3 to yield the distribution to the Egan Family.

Third Buy-in

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

1. Begin with the original total construction and engineering costs (\$136,785.45)
2. Adjust #1 above for the Construction Cost Index to compute adjusted costs;
3. Divide #2 above by 5 to yield the buy-in cost for Family C.
4. Multiply #3 above by 2/3 to yield the distribution to the Cocco Family
5. Multiply #3 above by 1/3 to yield the distribution to the Egan Family.

Fourth and successive Buy-in's

Repeat the model for successive buy-in's.

* * * * *

EXHIBIT "B"

TO COCCO-EGAN BUY-BACK AGREEMENT

CONSTRUCTION COSTS

I.	San Mateo County Permits & Fees	
A.	Sewer Main Extension plan review fees	\$300.00
B.	Sewer inspection fees	\$1,300.00
		<u>\$1,600.00</u>
II.	Engineering Design & Drawings	
	MacLeod and Associates	<u>\$10,025.00</u>
III.	Contractor (Casey Construction)	
A.	568 LF of 6-inch sewer mains, 3 manholes & 1 Flushing Inlet	\$95,606.00
B.	Sewer Extras (due to deeper & longer trench & presence of rock)	\$29,554.45
		<u>\$125,160.45</u>
IV.	TOTAL:	<u>\$ 136,785.45</u>

EXHIBIT "C"
TO COCCO-EGAN BUY-BACK AGREEMENT

REQUESTED BY:

COUNTY OF SAN MATEO
DEPARTMENT OF PUBLIC WORKS

OFFER OF DEDICATION OF SEWER MAIN EXTENSION

WITNESSETH

THAT Michael and Judith Cocco, the Property Owners of 764 Hillcrest Drive and 787 Hillcrest Drive (Parcel 2), and Anthony J. and Carol A. Egan, the Property Owners of 787 Hillcrest Drive (Parcel 1), 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, and;

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

NOW, Therefore, Michael and Judith Cocco and Anthony J. and Carol A. Egan, hereby offer approximately 568 LF of said sewer construction, located in the public right-of-way near 775, 795, 803, 811, 818, 831, 835, 836, 764 and 787 Hillcrest Drive 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.

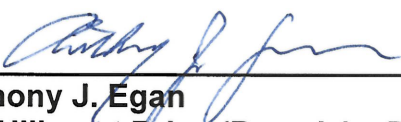
This Dedication shall be binding upon the undersigned, their heirs, executors, administrators, successors, transferees and assignees, with respect to said above described facilities.

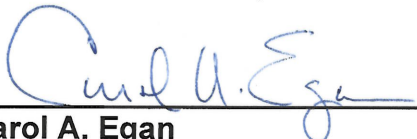
Executed this _____ day of _____, 2016, at _____,
California.

"Developers"

BY  8/1/16
Date
Michael Cocco
764 Hillcrest Drive & 787 Hillcrest Drive (Parcel 2 – 785 Hillcrest Drive)

BY  _____
Date
Judith Cocco
764 Hillcrest Drive & 787 Hillcrest Drive (Parcel 2 – 785 Hillcrest Drive)

BY  7/28/16
Date
Anthony J. Egan
787 Hillcrest Drive (Parcel 1 – 789 Hillcrest Drive)

BY  7/28/16
Date
Carol A. Egan
787 Hillcrest Drive (Parcel 1 – 789 Hillcrest Drive)

COUNTY OF SAN MATEO
STATE OF CALIFORNIA
NOTARY

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

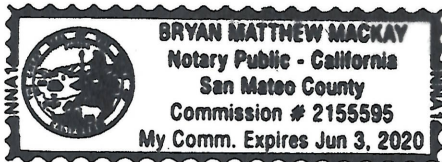
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 County of San Mateo)
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 Date Here Insert Name and Title of the Officer
 personally appeared Michael Corco
 Name(s) of Signer(s)
Justin Corco

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.

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WITNESS my hand and official seal.



Signature [Signature]
 Signature of Notary Public

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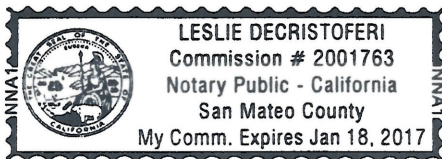
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 County of San Mateo)
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 Name(s) of Signer(s)

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