

SUBDIVIDER REIMBURSEMENT AGREEMENT

This Agreement is made and entered into this 1st day of June  
20\_17, by and between the County of Fresno, a political subdivision of the State of California  
(County), and J.P.J., Inc. a California corporation ("SUBDIVIDER") doing business at  
7030 North Fruit Avenue, Suite 101, Fresno, California 93711.

WITNESSETH

WHEREAS, SUBDIVIDER is the sole landowner of the land encompassed by Tentative  
Tract No. (TT) 4968, within County Service Area 34 (Millerton New Town) (CSA 34); and

WHEREAS, SUBDIVIDER, in an effort to satisfy conditions of approval for TT 4968,  
asks the County to undertake proceedings to form zone D of CSA 34, in which the County is  
proposed to provide services consistent with the Millerton Specific Plan and the Millerton New  
Town Infrastructure Plan, which services shall include those shared with all of the zones within  
CSA 34, namely, water contract administration and lake pump ready-to-serve maintenance, and  
operation and maintenance of shared-use water treatment and delivery services and sewer  
treatment and collection services, and which services may also include, without limitation, water  
delivery services and sewer collection services, street lighting, public right-of-way landscape  
maintenance, and road maintenance within the area defined by TT 4968; and

WHEREAS, the County's Master Schedule of Fees, Section 3750.12, requires the  
County to recover the County's costs involved in project implementation, such as establishing  
revenue (such as special taxes, benefit assessments, user fees, property-related fees, or some  
combination of any or all of those) for a new zone in a County Service Area (CSA), which  
requires public proceedings (such as those required by Proposition 218), through the execution  
of a reimbursement agreement between SUBDIVIDER and the County;

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1 NOW, THEREFORE, in consideration of the mutual acknowledgments, covenants, and  
2 conditions in this agreement, it is agreed as follows:

3 I. DUTIES OF SUBDIVIDER.

4 A. SUBDIVIDER shall pay to the County the County's actual cost to carry out the  
5 proceedings described in section II.B., below, which are collectively defined in that section as  
6 the "Project". SUBDIVIDER understands and acknowledges that the County makes no  
7 guarantee regarding the results of those proceedings.

8 B. Upon execution of this agreement, SUBDIVIDER shall deposit with the County,  
9 the sum of **Twenty Thousand Dollars (\$20,000)**, which is the initial deposit for all costs  
10 associated with a proceeding complaint with Proposition 218 to establish revenues for the zone  
11 in the form of fees and assessments, described in more detail below. SUBDIVIDER  
12 understands and acknowledges that the actual cost of the Project may exceed the amount of  
13 that initial deposit.

14 II. DUTIES OF THE COUNTY

15 A. The County shall receive the SUBDIVIDER's initial deposit under section I.B.,  
16 above, and apply it as needed to the costs of the Project.

17 B. The County shall undertake proceedings (1) under Government Code section  
18 25215.5 to establish fees to pay for water and sewer utility services in zone D of CSA 34; and  
19 (2) under Government Code section 25215.6 and the Uniform Standby Charge Procedures Act  
20 (Government Code sections 54984 through 54984.9) to establish a benefit assessment in CSA  
21 34 for the costs of local water utilities and the administration of contracts for the purchase of  
22 water and the operation and maintenance of water pumps in Millerton Lake; and the County  
23 shall give all notices, conduct all hearings, and process all documents necessary to complete  
24 those proceedings in compliance with California Constitution article XIII D (also known as  
25 Proposition 218) (collectively, "Project"). The County makes no guarantee regarding the result of  
26 those proceedings.

27 C. The County shall keep accurate records of the actual cost to complete the  
28 Project.

1 D. If the SUBDIVIDER requests, the County will provide an accounting of the cost of  
2 the Project.

3 E. If the County in its sole discretion determines that the cost of the Project will  
4 exceed the initial deposit, the County will in writing request an additional deposit from  
5 SUBDIVIDER, which SUBDIVIDER shall pay within seven (7) days of receiving the County's  
6 written request; or the County in its sole discretion may proceed with the Project and bill  
7 SUBDIVIDER monthly for actual costs incurred for the Project during the prior month, and  
8 SUBDIVIDER shall pay the County within the seven (7) days of receiving each invoice.

9 F. If SUBDIVIDER fails to make any payment or deposit required by the County  
10 under this agreement, the County in its sole discretion may terminate this agreement and the  
11 Project.

12 H. If the actual cost of the Project is less than the sum total of SUBDIVIDER's  
13 deposits under this agreement, the County will refund to SUBDIVIDER the amount remaining  
14 from those deposits after the actual cost of the Project is paid.

15 III. TERMINATION

16 The County and SUBDIVIDER shall proceed with due diligence to perform their  
17 respective obligations under this agreement. This agreement may be terminated without  
18 cause at any time by SUBDIVIDER upon thirty (30) calendar days' written notice. If  
19 SUBDIVIDER terminates this agreement, SUBDIVIDER shall compensate the County  
20 for all Project costs incurred up to the date of termination.

21 V. SEVERABILITY

22 If any part of this agreement is determined by a court of competent jurisdiction to be  
23 invalid or unenforceable, then this agreement shall be construed as not containing the  
24 invalid or unenforceable provision or provisions, and all other provisions of this agreement  
25 shall remain in full force and effect, and to this end the provisions of this agreement are  
26 hereby declared to be severable.

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The parties are signing this agreement on the date stated in the introductory clause.

J.P.J., Incorporated, a California Corporation:

COUNTY OF FRESNO:

BY: *[Signature]* *Pres*

BY: *[Signature]*  
STEVEN E. WHITE, DIRECTOR,  
DEPARTMENT OF PUBLIC WORKS  
AND PLANNING

*John A. Boradella*  
Print Name & Title

*2030 N. Fruit Ave #101*  
Mailing Address *Fresno, CA 93711*

FOR ACCOUNTING USE ONLY

Department of Public Works and Planning

CSA No. 34 Millerton New Town  
Fund: 0830  
Subclass: 16000  
Org, No. 9174  
Account No.: 5068  
Account No.: 7295

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