## WATER SERVICE AGREEMENT BETWEEN CITY OF SANTA ROSA AND EL CRYSTAL MOBILE HOME PARK

| This "Agreement" is made as of this       | day of        | , 2022, by and between                     |
|---|---------------|--|
| the City of Santa Rosa, a municipal co    | rporation ("C | ty") and El Crystal MHP, LLC, a California |
|   |               | ty and El Crystal MHP, LLC are hereinafter |
| individually referred to as "Party" and s | ometimes co   | llectively referred to as "Parties".       |

## **RECITALS**

- A. El Crystal MHP, LLC operates the El Crystal Mobile Home Park Public Water System No. CA4900788 serving the residents of the El Crystal Mobile Home Park at 3280 Santa Rosa Avenue in the City of Santa Rosa. The water system is regulated by the State of California (State) and must comply with all public water system regulations including Safe Drinking Water Standards.
- B. The State of California strongly supports consolidating or joining small systems, including mobile home parks with their own water systems, with larger, public systems.
- C. The El Crystal MHP, LLC water supply has water wells that exceed the State maximum contaminant level (MCL) for arsenic and for E-Coli.
- D. With consolidation and absorption by a larger water system, the El Crystal MHP, LLC Public Water System would cease to be a regulated public water system, with savings in operation costs, water testing, reporting, and a greater ability to achieve compliance with safe drinking water standards and regulations.
- E. The Parties wish to collaborate on the consolidation project to provide potable water from the City to El Crystal MHP, LLC. El Crystal MHP, LLC is the consolidating public water system, and the CITY is the restructured water system.
- F. In order for El Crystal MHP, LLC to receive State funding, the Parties must enter into an agreement that identifies the ownership and responsibilities for the State-funded project components and the details of the agreement for the City to commence water service to the El Crystal MHP, LLC.
- G. El Crystal MHP, LLC will become a City water customer and be required to comply with the applicable requirements as outlined in the Title 14 of the Santa Rosa City Code.
- H. El Crystal MHP, LLC is the applicant for Construction Phase that includes a State-funded grant that covers the project costs totaling approximately \$241,000.00. The Funding Agreement between El Crystal MHP, LLC and the State will be finalized after completion of this Agreement.

- I. The State will only pay for project costs that are eligible for reimbursement under applicable law and policy.
- J. El Crystal MHP, LLC must pay all costs associated with the connecting to the City water system, including water line, water meter, backflow preventer, and piping/valving. If the project funds are not sufficient to pay, El Crystal MHP, LLC must nonetheless install all these components and pay that portion of the project costs in excess of available project funds.
- K. El Crystal MHP, LLC has entered into a Fee Deferral and Agreement to Pay Water Demand Fees with the City. That agreement is to defer the Water demand fees, but not the meter fee or the processing fee.

## **AGREEMENT**

- 1. All of the above recitals are incorporated herein, and the Parties acknowledge that the recitals are correct.
- 2. <u>Time of Performance</u>: The schedule of the project will be determined once the project has been awarded by El Crystal MHP, LLC and is expected to commence in March 2022, with completion by June 2022. El Crystal MHP, LLC and the City will work together to ensure the project is carried out in a timely manner. El Crystal MHP, LLC may be responsible for claims by the State per the terms of the grant agreement for failing to complete the project in a timely manner but shall not be liable to the City for any damages related to a delay in performance.
- 3. <u>Payment of Costs.</u> El Crystal MHP, LLC will pay all costs associated with connecting to the City water system, including water line, water meter, backflow prevention, and piping/valving. The Parties agree to coordinate with the State to obtain DWSRF funding for eligible Project-related costs, including:
  - a. Obtaining an Out of Agency Service Agreement, as applicable from the Sonoma County Local Agency Formation Commission (LAFCO) payment of all LAFCO fees.
  - b. Obtaining a City Encroachment Permit for connection to the City water system.
  - c. Obtaining a Sonoma County Encroachment Permit for work within the public right-of-way.
  - d. Extending/installing a water line from the existing City water system to the existing on-site water distribution system, including the water meter box and backflow device.
  - e. Installing a private waterline, approximately 120 feet in length, from the water meter to the existing on-site water distribution system.
  - f. Paying the City Meter Fee and the City Processing Fee

If State funds are not sufficient to pay all costs, El Crystal MHP, LLC must nonetheless install all required components and pay all costs of the consolidation project that exceed the available funds provided by the State.

- 4. Following the completion of the consolidation, El Crystal MHP, LLC will no longer operate the El Crystal Public Water System No. CA4900788, and any domestic water agreements and permits associated with Public Water System No. CA4900788 will be surrendered. El Crystal MHP, LLC will become a City water customer and will comply with all applicable requirements as outlined in Title 14 of the Santa Rosa City Code.
- 5. The consolidation will be a master meter consolidation. The waterline, up to and including the water meter, shall be owned, operated, and maintained by the City.

El Crystal MHP, LLC, as owner of the El Crystal MHP, shall own and be responsible for operating and maintaining the infrastructure after the water meter, including the backflow preventer.

- 6. El Crystal MHP, LLC agrees to pay monthly water bills within 21 days of the billing date in accordance with the fixed monthly charges and user charges established for Multi-Unit Residential accounts in Chapter 14-08 of the Santa Rosa City Code.
- 7. Prior to start of construction either Party may terminate this Agreement by providing thirty (30) days written notice to the other.

IN WITNESS WHEREOF, EI Crystal MHP, LLC and the City of Santa Rosa have executed this Agreement on the day and year first written above.

| Name of Firm: ELCRYSTAL MHP.UC                      | city of santa Rosa<br>a Municipal Corporation |
|---|---|
| TYPE OF BUSINESS ENTITY (check one):                | By:   |
| Individual/Sole ProprietorPartnershipCorporation    | Print Name:                                   |
| Limited Liability Company Other (please specify:)   | Title:  |
| Signatures of Authorized Persons:  By:              | APPROVED AS TO FORM:                          |
| Print Name: Steven HATHAWALL                        | Office of the City Attorney                   |
| Print Name: States HATHAWAY  Title: MANAGING MEMBER |   |
| By:   |   |
| Print Name:   |   |
| Title:  |   |