RANCHO MURIETA COMMUNITY SERVICES DISTRICT DEVELOPMENT PROJECT PROPOSAL FUNDING AGREEMENT

Developer	
Developer Address	
Subject Property and Project Description	
Deposit Amount	\$
Date of Agreement	

THIS AGREEMENT is made by and between Rancho Murieta Community Services District, a local government agency ("District"), and the Developer named above, who agree as follows:

- 1. Recitals. This Agreement is made with reference to the following background recitals:
- 1.1. Developer owns, controls, or has an interest in the Property described above, which is in or near the District. Developer is interested in developing the Property with the development project described above (the "Proposal"). Any development project on the Property will require water, sewer, and storm drainage services from District.
- 1.2. Developer would like to meet, consult with, and receive services from District and its staff (which may include both employees and contract staff (e.g., engineer, environmental consultant, attorney)) concerning the Proposal, the extension of water, sewer and storm drainage services to the Property, and related matters concerning the District and potential development of the Property. These services as requested by Developer and provided by District may include the following tasks: review and analysis of the Proposal and related plans; associated consultation with Developer and its representatives; design and improvement plan review; Proposal-related research and site visits; negotiation and preparation of a mainline extension or other District agreements relating to the Proposal; preparation of staff reports and recommendations, conditions, resolutions, exhibits and other Proposal-related documents; and, Proposal-related meetings, phone calls, emails, and other work involving Developer, District, County of Sacramento, Rancho Murieta Association, and other outside agencies (collectively the "Proposal-Related Tasks").
- 1.3. District is willing to provide the Proposal-Related Tasks if Developer pays or reimburses District's actual staff, consultant and other costs incurred by District in performing those tasks. Developer agrees to provide funding to District to cover the costs and expenses to perform the Proposal-Related Tasks, on and subject to the terms of this Agreement. Developer further acknowledges that (a) District utilizes employee staff and contract services for the work and services to perform the Proposal-Related Tasks, (b) the billing under this Agreement will be based on the actual labor and benefit costs for District

employees and the contract service fees and costs for contract service providers, and (c) the initial payment is a deposit toward final costs and the final total payment will be based on the final actual costs.

2. Funding for Proposal-Related Tasks

- 2.1. Developer will deposit the sum set forth above with District as funding toward the Proposal-Related Tasks. District will draw on this deposit to reimburse District for the cost of District employee time and materials and to pay or reimburse periodic invoices from the District contract service providers. If, before completion of the Proposal-Related Tasks, 20% or less of the deposit remains or the deposit becomes depleted, District reserves the right to require additional deposits to cover additional anticipated District costs. Developer shall pay any additional deposit within 30 days of request for deposit from District.
- 2.2. If any requested deposit or payment is not timely made, District will notify Developer and it will have ten days to cure the default. If deposit or payment has not been made within the ten-day period or if the funds become depleted, then District will suspend all work on the Proposal-Related Tasks pending receipt of the deposit or payment. If the deposit or payment remains unpaid, then District may terminate this Agreement by giving written notice of termination to Developer and it then will cease work on the Proposal-Related Tasks. Any Developer deposit remaining upon termination of the Agreement will be refunded without interest to Developer.
- 2.3. District will deposit Developer deposits into a special general ledger account (the "Special Fund") for the purpose of paying and reimbursing District costs on the Proposal-Related Tasks. Any Developer deposit remaining upon completion of the Proposal-Related Tasks shall be refunded without interest to Developer. If the final total Proposal-Related Tasks costs exceed the amount of the deposit(s), Developer shall pay the difference to the District.
- **3. Proposal-Related Tasks.** Upon receipt of the initial deposit, District, through its staff and consultants, will perform and undertake the Proposal-Related Tasks as requested by Developer and as appropriate to the review and processing of the Proposal.
- **4. Termination.** This Agreement may be terminated in one of the following manners: (a) by completion of the Proposal-Related Tasks and payment in full pursuant to section 2; (b) by mutual written consent of the parties; (c) by District pursuant to section 2.2; or (d) by Developer by giving written notice of termination to District. If Developer provides a written notice of termination, District will cease work on the Proposal-Related Tasks. Any Developer deposit remaining upon termination of the Agreement (and after District has paid all Proposal-Related Tasks costs incurred up to termination) will be refunded without interest to Developer.
- **5. Record Keeping.** District agrees to keep and maintain accurate bookkeeping records relating to the District's Proposal-Related Tasks costs and Special Fund, including all deposits into the fund and all District costs paid or reimbursed from the fund. Developer and its employees, accountants, attorneys and agents may review, inspect, copy and audit these records, including all source documents.

- **6.** No District Commitment on Proposal. District reserves complete discretion and authority regarding the (a) outcome of the Proposal-Related Tasks, (b) contents, scope, analysis and conclusions of any Proposal-Related Tasks documents, and (c) District determinations and decisions on the Proposal and future development of the Property. Nothing in this Agreement shall in any way commit or obligate District to provide water, sewer, or storm drainage services to any development project on the Property. District employee staff and contract service providers work directly for the District and will be responsible only to the District.
- 7. Indemnity. Developer agrees to indemnify, defend, protect and hold harmless District, and its officers, employees, and agents, from and against any and all liability, losses, claims, damages, expenses, and costs (including attorney, expert witness and consultant fees, and litigation costs) arising out of or in connection with (a) the performance and actions under this Agreement by Developer or its employees, contractors or agents, or failure to perform or act under this Agreement, except such loss or damage that was caused by the sole negligence or willful misconduct of District or except as otherwise limited by law, or (b) District action on or implementation of the Proposal, and including any action or proceeding brought against the District to attack, set aside, void or annul any District approval or action relating to the Proposal.

8. General Provisions.

- 8.1. Entire Agreement. The parties intend this writing to be the sole, final, complete, exclusive and integrated expression and statement of the terms of their contract concerning its subject matter. This Agreement supersedes all prior oral or written negotiations, representations, contracts or other documents that may be related to the subject matter, except those other documents (if any) that are referenced in this Agreement.
- 8.2. Waiver. The waiver at any time by any party of its rights with respect to a default or other matter arising in connection with this Agreement will not be deemed a waiver with respect to any subsequent default or matter.
- 8.3. Remedies Not Exclusive. The remedies provided in this Agreement are cumulative and not exclusive, and are in addition to any other remedies that may be provided by law or equity. The exercise by either party of any remedy under this Agreement will be without prejudice to the enforcement of any other remedy.
- 8.4. Personal Obligation; Successors and Assigns. Developer's obligations under this Agreement are personal obligations of Developer and they do not automatically "run with" the Property. Developer cannot assign its obligations under this Agreement to any transferee of all or any part of the Property or any other third party without the express written consent of District, which consent will not be withheld unreasonably.
- 8.5. Amendment. This Agreement may be modified or amended only by a subsequent written agreement approved and executed by both parties.
- 8.6. Governing Law and Venue. Except as otherwise required by law, (a) this Agreement will be interpreted, governed by, and construed under the laws of the State of California, and (b) the County of Sacramento will be venue for any state court litigation and

the Eastern District of California will be venue for any federal court litigation seeking to enforce or construe this Agreement.

8.7. Notices. Any notice, invoice or other communication required or permitted to be given under this Agreement must be in writing and either served personally or sent by prepaid, first class U.S. mail and addressed as follows:

District:	Developer:
General Manager Rancho Murieta Community Services District P.O. Box 1050 15160 Jackson Road Rancho Murieta, CA 95683	See address on page 1

Any party may change its address by notifying the other parties in writing of the change of address.

	CHO MURIETA COMMUNITY VICES DISTRICT		DEVELOPER	
By:	Mark Martin	By:		
	General Manager			[name]
				[title]