

AGREEMENT TO INSTALL AND TAKE OWNERSHIP OF IMPROVEMENTS

This Agreement to Install and Take Ownership of Improvements (this “Agreement”) is made by and between KINGSBURY GENERAL IMPROVEMENT DISTRICT (the “DISTRICT”), a governmental entity, and PONDEROSA PARK OWNERS ASSOCIATION, (the “ASSOCIATION”), a Nevada nonprofit cooperative corporation.

RECITALS:

WHEREAS, the ASSOCIATION was formed to and does manage all that real property subject and pursuant to that certain First Amended Declaration of Covenants, Conditions, and Restrictions for Ponderosa Park Subdivision, which was recorded on June 13, 1995 in the official records of the Douglas County Recorder as Document No. 1995-363962;

WHEREAS, the ASSOCIATION is a member of the DISTRICT and pays the DISTRICT for delivery of water to the ASSOCIATION, the measure of which is currently provided by a single master meter for the entire ASSOCIATION;

WHEREAS, the ASSOCIATION owns the existing water infrastructure beyond the master meter, which is owned by the DISTRICT;

~~services and~~ WHEREAS, the ASSOCIATION and the DISTRICT desire to upgrade the water infrastructure within the ASSOCIATION, which will include without limitation the installation of individual meters at each lot within the ASSOCIATION as well as new water lines throughout, ~~a~~ new fire hydrant, ~~s,~~ and appropriate patching of any roads under which ~~water lines~~ are installed (the “Project”); ~~the new improvements and appurtenances~~ /repairs or surface improvements

WHEREAS, on completion of the Project, the ASSOCIATION will turn over ownership thereof to the DISTRICT;

NOW, THEREFORE, in consideration of the foregoing Recitals, the parties mutually agree as follows:

1. Approval Required. This Agreement shall become effective only upon approval by the governing bodies of both the DISTRICT and the ASSOCIATION at duly noticed meetings thereof, respectively, and in the case of the ASSOCIATION, by an affirmative vote of at least a majority of the lot Owners.

2. Scope and Duration of Project. The DISTRICT ~~has been approved~~ ^{will apply} for funding for the Project from the Nevada Clean Water State Revolving Loan Fund, which is administered by the Nevada Department of Environmental Protection (“NDEP”) in order to complete the Project during the 20~~22~~ construction season. Nevertheless, the ASSOCIATION acknowledges and agrees that despite best efforts by the DISTRICT, the Project may not be completed during the 20~~22~~ construction season and further agrees to allow the DISTRICT to complete the Project within a reasonable time, recognizing the financial and other constraints that may cause the Project to be completed beyond the 20~~22~~ building season.

and surface
repairs

3. Installation of New Infrastructure. Upon receipt of funding from the Nevada Clean Water State Revolving Loan Fund, the DISTRICT agrees to complete the Project by contracting for the installation of new water lines, a new fire hydrant, and individual water meters throughout the ASSOCIATION. For the duration of the Project, the DISTRICT shall provide copies to the ASSOCIATION of any reports or accountings made to the State of Nevada concerning the Project.

4. Ownership of New Infrastructure. On completion of the Project by the DISTRICT, the ASSOCIATION agrees to deliver ownership of the Project and all of the water infrastructure within the property governed by the ASSOCIATION to the DISTRICT. The ASSOCIATION hereby agrees to execute and/or record on demand any and all documentation whatsoever that may be required in order to ensure that the purposes of this Paragraph 4 are fulfilled. Following the transfer of ownership contemplated by this Paragraph 4, the DISTRICT will bill the ASSOCIATION's members directly for their water usage as shown on the individual meters installed at each lot.

5. Nevada Clean Water State Revolving Loan Fund. The parties acknowledge and agree that it is the intention of the parties in entering into this Agreement and in completing the Project to fully comply with the rules and regulations governing the Nevada Clean Water State Revolving Loan Fund, which are found in Nevada Revised Statutes 445A.060 to 445A.160 and Nevada Administrative Code 445A.685 to 445A.805. The DISTRICT shall endeavor to submit as soon as is practicable paperwork necessary to obtain funding from the aforementioned fund and the ASSOCIATION agrees to cooperate therewith, which may include the delivery to the DISTRICT from time to time of documents and information, which the DISTRICT may be required to furnish to the Nevada Department of Environmental Protection, which administers said fund. The ASSOCIATION acknowledges and agrees that time is of the essence and agrees to respond promptly to requests for information and documents.

6. Governing Law. This Agreement shall be construed and interpreted according to the laws of the state of Nevada.

7. Indemnity. The ASSOCIATION agrees to indemnify and save and hold the DISTRICT, its agents, and employees harmless from any and all claims, causes of action, or liability arising from the performance of this Agreement by the DISTRICT, its agents or employees. The DISTRICT agrees to indemnify and save and hold the ASSOCIATION, its agents and employees harmless from any and all claims, causes of action, or liability arising from the performance of this Agreement by the ASSOCIATION, its agents or employees.

8. Entire Agreement. This Agreement constitutes the entire agreement between the parties and may only be modified by a written amendment signed by the parties.

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9. Notice. Any notice shall be given in writing to the following addresses, which addresses may be changed from time by written notice to the other party:

If to the DISTRICT:

Cameron McKay
Kingsbury GID
255 Kingsbury Grade Rd
Stateline, NV 89449

If to the ASSOCIATION:

Ponderosa Park Owners Association
c/o FirstService Residential
639 Isbell Rd Suite 280
Reno, NV 89509

Hand delivered notices are deemed received upon delivery. A properly addressed notice sent via US Postal Service first class mail, postage prepaid, is deemed delivered within 72 hours of mailing.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and intend to be legally bound thereby this _____ day of _____, 20__.

KINGSBURY GENERAL
IMPROVEMENT DISTRICT

PONDEROSA PARK
OWNERS ASSOCIATION

By: _____
CAMERON MCKAY, General Manager

By: _____
STEVE EDMUNDSON, President