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AGREEMENT

THIS AGREEMENT, executed this 8th day of February

1965, by and between the City of Santa Cruz, a municipal corporation, hereinafter called "City", and The Regents of the University of California, a corporation, hereinafter called "University",

WITNESSETH:

WHERAS, City and University have heretofore executed an Agreement dated the 8th day of January, 1962, pertaining to the selection of a University site in the Santa Cruz area, and setting forth certain agreements pertaining to municipal services; and

WHEREAS, the parties desire to clarify and set forth with more particularity their mutual understanding and agreement regarding certain of the matters referred to in said prior agreement, namely, annexation, sewer and water service, and fire protection facilities; and

WHEREAS, nothing in this agreement contained shall alter, change, or supersede the original agreement between the University and the City above referred to, dated January 8, 1962, except as to those matters specifically provided for herein;

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained and hereinabove recited,

IT IS AGREED by and between City and University as follows:

A. Sewer and Water System and Services

- The University shall pay to the City the sum of NINETY-TWO THOUSAND DOLLARS (\$92,000.00) as a contribution to the City toward the cost of extending water facilities necessary for providing water service to the University, as said facilities are described in Exhibit "A" of this Agreement. The extension of water facilities by City as shown in Exhibit A, and the payment by University of the \$92,000, shall not be deemed to change the basic rights of the parties under the original Agreement of January 8, 1962, this Agreement or the laws of the State of California. Payment of said sum shall be made to City upon review and approval of construction documents for the water system by University. Review and approval as used herein shall mean only that review and approval necessary to assure University that the water system to be constructed will deliver water as stated in Paragraph A.2 below. review and approval shall be accomplished by University within ten (10)days after submission to University of the construction documents by the City.
- erally set forth upon the map attached hereto, designated Exhibit "A" and by this reference incorporated herein. Subject to interruption of service from causes beyond the reasonable control of the City, the system described shall at all times be capable of delivering to the University system in Pressure Zone 4, water at the rate of 3,000

gallons per minute for fire protection at a residual pressure at point of connection to the University system equal to a water surface elevation of 930 feet; and the system shall at all times be capable of supplying to University water up to 2,000,000 gallons in twenty-four hours for fire flow and ordinary use.

3. City shall take such steps as are necessary to authorize and provide for interconnection of services where circumstances require the University to provide fire hydrants on its premises. Backflow preventive devices, approved by the Water Department Director of City, shall be installed at each such service connection at the expense of the University.

4. Except as otherwise provided in this Paragraph, University shall pay water and sewer rates at the times, in the manner and in accordance with the schedule of rates from time to time adopted and published by the City. In no instance shall such rates be less favorable than those prevailing to large scale industrial users.

Irrespective of division by roads, streets or highways, whether public or private, University's Parcels A, B, and C, as described in Agreement of January 8, 1962, and University-owned and operated areas contiguous thereto shall constitute a single premise for billing purposes and readings of all meters serving University shall be combined until such time as City adopts and publishes a system-wide water rate schedule applicable to all customers based on equitable increases in rates in successively higher pressure zones, in which case, subject to all other provisions herein, only readings of

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University meters within the same pressure zone shall be combined.

- 5. Water system facilities constructed after the date of this Agreement, for the purpose of serving the University, and located in the portion of the County road known as Empire Grade, located within Parcel A of University property, as described in the Agreement of January 8, 1962, and as designated on Exhibit A, shall be subject to the following terms and conditions:
 - a. University will provide, without a charge, a license in Empire Grade across Parcel A from the existing water storage tank, north-west to the edge of Parcel A. City will install a new water line from the existing tank northwesterly to the edge of Parcel A in the area covered by the license provided by the University.
 - b. If, at any time within twenty (20) years from the date of this Water Service Agreement, total removal and relocation of the water system facilities from the portion of Empire Grade within Parcel A is necessary, due to requirements of the University, University shall reimburse the City that portion of the total cost of such relocation in the ratio the length of line extending from the existing storage tank northerly bears to the entire length of the line lying within Parcel A to be relocated; and University shall provide an easement on University land, without charge to City, to and within

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which City can relocate such facilities. This provision shall not apply to the existing one million gallon tank, the relocation of which is provided for in the Agreement of January 8, 1962.

- c. If, at any time after twenty (20) years from the date of the Water Service Agreement removal of the water system facilities from Empire Grade is necessary, due to requirements of the University, the University would provide an easement on University land, without charge, to which and within which the City could relocate its facilities. City would pay for the cost of relocation of said facilities if moved in their entirety at the request of the University.
- d. If University requests relocation of a portion of the water line within the portion of Empire Grade within Parcel A, for University convenience, it shall pay the cost thereof. In event City relocates a portion of the water line, for City convenience, City shall bear the cost thereof. When the line is to be relocated for University convenience, the University shall have the right to construct, at its expense, and in a location of its choosing, a suitable relocation pipe around the proposed obstruction.
- 6. In accordance with the conditions of Paragraph 7.c.(2) of the Agreement of January 8, 1962, University shall convey to City 0.48 acres of land at the site of proposed Reservoir No. 3, as shown on Exhibit "A", attached hereto, in exchange

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for 0.48 acres of land at the site of the existing 1,000,000 gallon storage tank. At the time the 1,000,000 gallon storage tank is relocated, University shall convey to City 0.52 acres of land for Reservoir No. 2, as shown on Exhibit "A", attached hereto, in exchange for the remaining land at the existing 1,000,000 gallon storage tank site.

University shall grant to City a site consisting of 0.77 acres of land for Reservoir No. 4, as shown on Exhibit "A" attached hereto, and as required by City in excess of the 1-acre limitation provided for in Paragraph 7.c.(1) for the Agreement of January 8, 1962.

The conveyance of all said sites to City by University shall be on the condition that should City ever abandon the use of said sites as a part of the City Water System, University shall have the right to said land from City, and upon the further condition that University shall approve the aesthetic design of the tanks and pumping stations. University shall grant to City the land necessary for each particular site shown on Exhibit "A", attached hereto, within thirty (30) days after written request therefore has been directed to University by City. Variations in location of the sites from those shown on Exhibit "A" may be made at the request of University, provided that such relocated sites shall not be at an elevation varying more than ten (10) feet higher or lower than that shown on Exhibit "A", and shall not be more than two hundred (200) feet away from the pipeline to be constructed in Empire. Grade as it now exists.

B. Annexation.

1. Any portion or all of said Parcels A and B as designated in Exhibit "I" of that certain prior Agreement between the parties hereto dated January 8, 1962, shall be annexed to City upon request in writing from either the City or the University, and the City and the University agree not to protest any proceedings for the annexation of such property.

2. Any portion or all of said Parcel C shall be annexed

to the City upon request in writing from the University.

C. Fire Station.

1. University shall convey to City an easement for a fire station site, consisting of an area of land not to exceed one-half (1/2) acre, on the terms and conditions as set forth in the form of easement designated Exhibit "B", attached hereto, and by this reference incorporated herein. The precise location of said site shall be at a place mutually satisfactory to both parties, and so situated as to properly serve the University campus and surrounding territory. Said grant of easement shall be made to City by University within ninety (90) days after request in writing from City directed to University, and setting forth therein the site of said fire station as proposed by City.

In the event it becomes necessary to provide for utility services across University land to serve said fire station facilities, the location of said services shall be subject to the approval of University.

IN WITNESS WHEREOF, this Agreement is executed by the City of Santa Cruz and by The Regents of the University of California, the day and year first above written.

Approved as to Form

Rodney W. Atchison City Attorney

Approved as to Form:

Counsel of The Regents of the University of California

APPROVED AS TO FOR ACRESTANT COURT A CO THE POSTNIES

OF THE UNIVERSITY OF CALIFCENIA

CITY OF SANTA CRUZ, a municipal corporation

THE REGENTS OF THE UNIVERSITY