STREET FACILITY REIMBURSEMENT AGREEMENT
REIMBURSEMENT FOR OVERSIZED STREET FACILITIES
UNDER CHAPTER 3.84 OF THE CHICO MUNICIPAL CODE

NORD HIGHWAY ADJACENT TO
SCHILL SUBDIVISION PHASE 2

(CITY OF CHICO/BILL WEBB CONSTRUCTION, INC.)

THIS STREET FACILITY REIMBURSEMENT AGREEMENT is made on DECEMBER 15th, 2015, between the City of Chico, a municipal corporation of the State of California ("City"), and Bill Webb Construction, Inc., a Corporation, whose address is 121 Yellowstone Drive, Chico, California 95973 ("Developer").

W I T N E S S E T H:

WHEREAS, Developer has developed certain property situate in the City of Chico, County of Butte, State of California; and

WHEREAS, incident to and as a condition of the approval of a final map, parcel map, certificate of compliance, or building permit approved or issued by City which authorized development of Developer's property, Developer was required by City to construct and install certain street facility improvements in the public rights-of-way adjoining or in the vicinity of Developer's property which are of a size and capacity in excess of that necessary to serve development now or hereafter occurring on Developer's property and are of benefit to persons developing other property within the incorporated territory of City ("Oversized Street Facilities"); and

WHEREAS, in accordance with Chapter 3.84 of the Chico Municipal Code, Developer is now entitled to be reimbursed for all or a portion of the cost of the Oversized Street Facilities ("Oversizing Costs") out of the revenues received by City from the street facility improvement fees to be assessed and levied by City upon those persons developing other properties located within the incorporated territory of City, all at the time, in the amount, and in the manner required by Chapter 3.84 of the Chico Municipal Code and this agreement; and

WHEREAS, Developer and City have determined that the most appropriate way to reimburse Developer for Oversizing Costs is for City to reimburse Developer zero (0) percent of the street facility improvement fees paid by Developer upon execution of this Agreement, and to pay Developer a proportionate share of 25 percent of all street facility fees hereinafter assessed and levied by City upon those persons developing property within the Sphere of Influence of City during the 15-year period following November 18, 2015, the date of completion and acceptance of the Oversized Street Facilities. The Oversizing Costs shall be adjusted for an inflationary factor in the manner hereinafter provided by this Agreement. The proportionate share to be paid to Developer shall be based on the fraction of Developer's Oversizing Costs relative to the total Oversizing Costs included in all outstanding street facility reimbursement agreements when a reimbursement payment is made to Developer.

NOW, THEREFORE, City and Developer agree as follows:

1. Developer has incurred Oversizing Costs for installation of certain street facility improvements which are eligible for reimbursement. The street facility improvements eligible for reimbursement are set forth in Exhibit "A" and depicted on Exhibit "B" attached and incorporated in the Agreement.

2. As reimbursement of Oversized Street Facilities, City agrees to reimburse Developer zero (0) percent of the street facility improvement fees paid by Developer upon execution of this Agreement, and for a period of 15 years following the date of November 18, 2015, the date of completion and acceptance of the street facility improvements by City, and City will pay Developer a proportionate share of 25 percent of all revenues received by City from the street facility improvement fees assessed and levied by City pursuant to the provisions of Chapter 3.84 of the Chico Municipal Code upon those persons developing property within the Sphere of Influence of the City of Chico. The proportionate share to be paid to Developer shall be based on the fraction of the Developer's Oversizing Costs relative to the total Oversizing Costs included in all street facility reimbursement agreements outstanding at the time a reimbursement payment is made to Developer. However, the total amount of such reimbursement shall not exceed Oversizing Costs set forth on Exhibit "A," adjusted for the inflationary factor in the manner as provided in this Agreement.

3. The maximum amount of the Oversizing Costs to be paid to Developer pursuant to this Agreement shall be adjusted by an inflationary factor in recognition of the fact that the monetary value of the Oversized Street Facilities is likely to increase over the term of this Agreement. In particular, on July 1st, following acceptance by City of the Oversized Street Facilities, and on July 1st of each year thereafter that this Agreement remains in effect, the balance then due on the Oversizing Costs shall be increased by an amount which is proportional to the increase, if any, in the usual cost of constructing and installing street facility improvements during the preceding year. The determination of whether there has been an increase in the usual cost of constructing and installing street facility improvements and the increase in the balance then due on the Oversizing Costs which is proportional to such increased costs shall be made by City and shall be based exclusively on the net percentage increase during the preceding year in the Engineering News Record Construction Cost Index for San Francisco (based on 1913 U.S. average = 100) as published in the Engineering News Record/McGraw Hill Construction Weekly. However, in calculating the initial increase, if any, in the balance due on Oversizing Costs on July 1st immediately following acceptance by City of Oversized Street Facilities, credit shall be given only for that part of such increase, if any, which is proportional to that part of the year commencing on the date City accepted the Oversized Street Facilities and ending on July 1st thereafter.

4. All Street Facility Fee revenues to be paid and remitted by City to Developer pursuant to this Agreement shall be paid and remitted within 60 days of June 30 and December 31 of each calendar year in which said revenues are received by City during the term of this Agreement. The payment shall be sent to Developer at Developer's address as set forth above in this Agreement or such other address as has been filed by Developer in writing with City's Public Works Director.

5. This Agreement and the benefits hereof may be assigned by Developer only in its entirety and only to a single assignee. Any partial assignment or divisible assignment of this Agreement and the benefits hereof shall be null and void and of no effect whatsoever, it being understood by Developer that such a partial or divisible assignment would create an undue administrative burden on City. Any assignment of this Agreement and the benefits hereof shall be in writing and shall be filed with the City's Public Works Director.

6. This Agreement constitutes the entire understanding between City and Developer as to the matters set forth herein, and neither City nor Developer shall be bound by any terms, conditions, statements, or representations, oral or written, not contained herein. Moreover, this Agreement shall not create any debt or obligation on the part of City, save and except for the obligation to pay and remit the revenues provided for by this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date set forth above.

Authorized pursuant to Chico
Municipal Code Chapter 3.84
and City of Chico Budget Policy H.1.c.

CITY OF CHICO

for

By: Mark Orme, City Manager

DEVELOPER

Bill Webb Construction, Inc.
By: William S. Webb

APPROVED AS TO FORM:

Vincent C. Ewing, City Attorney*

*Approved pursuant to The Charter of the City of Chico § 906(D)

APPROVED AS TO CONTENT:

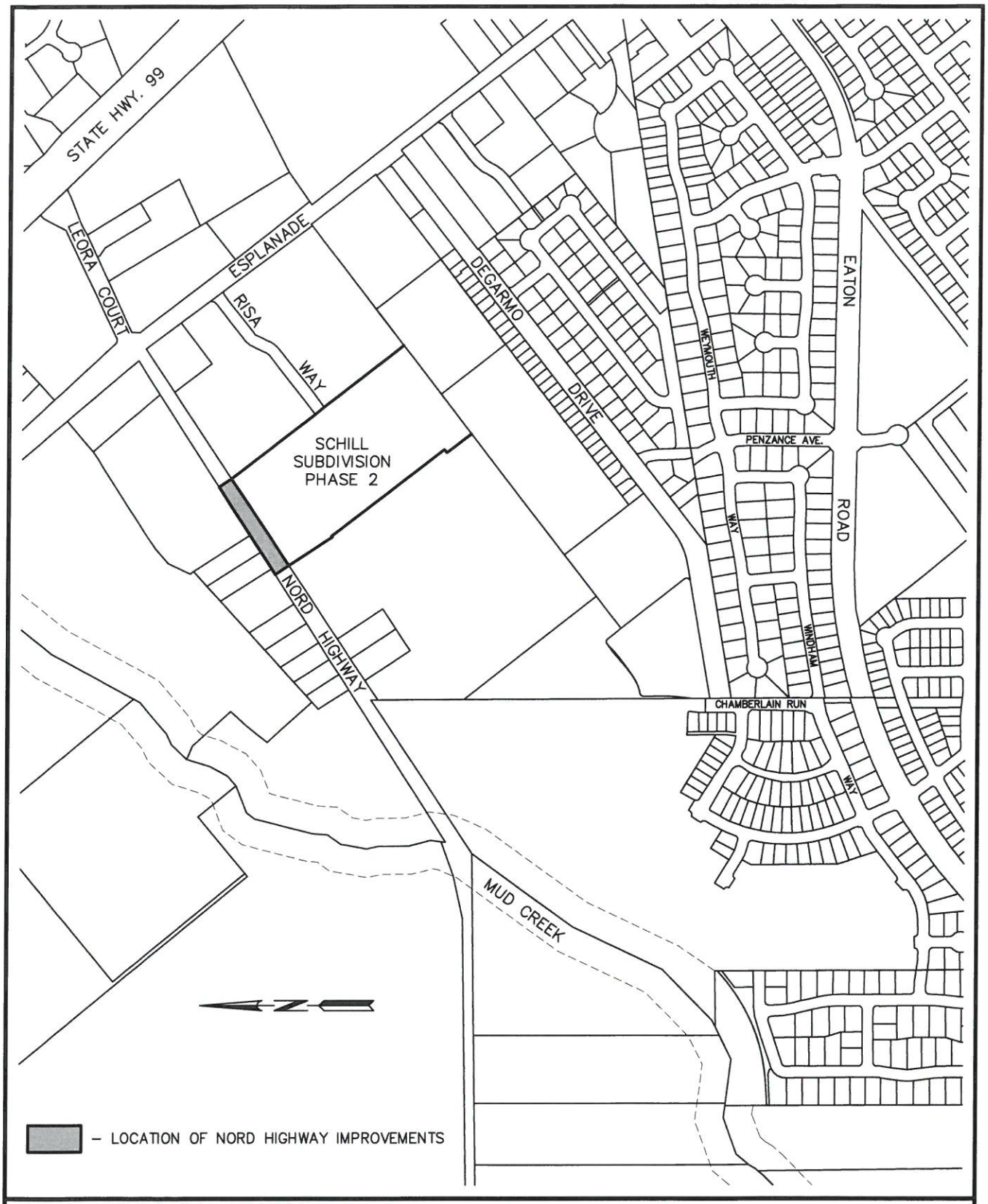
Brendan Ottoboni
Director of Public Works - Engineering

OVERSIZED STREET FACILITY COSTS

NORD HIGHWAY ADJACENT TO SCHILL SUBDIVISION PHASE 2

Roadway Improvements - Franklin Construction, Inc.	**$ 40,665.00**
Striping - Franklin Construction, Inc.	**4,000.00**
Cleanup - Franklin Construction, Inc.	**1,400.00**
Engineering - Rolls, Anderson & Rolls	**7,044.70**
Testing – M.T. Hall & Associates, Inc.	**310.09**
Sub Total	**$ 53,419.79**
5% Overhead	**2,670.99**
Total	**$ 56,090.78**

EXHIBIT A



CITY OF CHICO

DRAWN BY: RAR DATE: DEC., 2015 CHECKED BY: MJ SCALE: N.T.S. APPROVED: for PUBLIC WORKS DIRECTOR	PLAT TO ACCOMPANY STREET FACILITY REIMBURSEMENT AGREEMENT (NORD HIGHWAY)	EXHIBIT "B" SHEET 1 OF 1

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