AGREEMENT

This Agreement made and entered into this 7th day of January 2014, by and between Nathan Clark and Sarah Clark, husband and wife ("Owners"), and City of Lawrence, Kansas ("City").

WHEREAS, Owners are the owners of record of the fee simple title in and to the following described real estate situated in the City of Lawrence, Douglas County, Kansas to-wit:

PART OF LOTS 42 AND 43 ON THE SOUTH SIDE OF OAK STRET, SIMPSON'S SUBDIVISION, IN THAT PART OF THE CITY OF LAWRENCE FORMERLY KNOWN AS NORTH LAWRENCE, IN DOUGLAS COUNTY, KANSAS DESCRIBED AS FOLLOWS: BEGINNING AT A POINT 187.8 FEET SOUTH OF THE NORTHWEST CORNER OF LOT 42, THEN NORTH 187.8 FEET TO THE NORTHWEST CORNER OF LOT 42; THENCE EAST 150 FEET; THENCE SOUTH 204.8 FEET; THENCE NORTHWESTERLY TO THE PLACE OF BEGINNING.

Commonly known and referred to as 872 Oak Street, in that part of the City of Lawrence known as North Lawrence;

WHEREAS, said Lot is zoned for residential development; yet is presently a vacant lot which is not served by or connected to City's sanitary sewer or water systems;

WHEREAS, Owners want to develop the Lot by constructing a single family home on Lot which will conform to the codes regulations and requirements of City;

WHEREAS, prior to construction of said home, Owners must cause the City's sanitary sewer main and attendant facilities to be extended to a point where the Lot can be serviced by it;

WHEREAS, Owners have requested City to provide Lot with sanitary sewer services and hookups, the cost of which will be paid by Owners and City in the proportions hereafter stated;

WHEREAS, Owners have requested City and City has agreed, to use the method of payment for the sanitary sewer extension as outlined herein, rather than creating a benefit district for such purpose; and

WHEREAS, the sewer main shall be done in a manner as to comply with the Code of the City of Lawrence, Kansas (July 1, 2013), Section 19-214(A).

NOW THEREFORE, in consideration of the mutual promises and benefits, the nature and extent of which are deemed sufficient the parties agree, as follows:

- 1. The above-stated recitals are incorporated herein by reference and made a part of this agreement.
- 2. City will bid for the services of a contractor to extend City's sewer main with attendant facilities, by connecting an 8 inch line to the City's existing sewer main and extending the main 241 feet to a point 10 feet east of the east boundary of the Lot extended. Said main shall be public infrastructure to be constructed in the public right-of of Oak Street, see Exhibit A attached hereto.

- 3. With City's prior approval, Owners shall contract for the services of an engineering firm who will design the proposed sanitary sewer main extension pursuant to the Department of Utilities Design Standards, with attendant facilities including repair and reconstruction of asphalt overlay on Oak Street. The design engineer shall develop the estimated cost for the project, which will be used in the bidding process. Owners shall be responsible for and pay for these engineering services, with one-half of the amount paid by Owners to be a credit against the amount Owners are required to place in an escrow account as set forth in numbered paragraph 5 hereof.
- 4. City will review the sewer main bids and award the contract to the lowest responsible bidder whose bid price falls at or below the engineer's cost estimate. Should there be no acceptable bid, City shall have the sole discretion to negotiate the project price or re-bid the project.
- 5. Within a reasonable time following City's awarding of a contract for the sewer main project, City shall prepare and deliver to Owners a statement of maximum cost for the sewer main extension, including all attendant facilities, but excluding hook-up costs for extending a service line from the main to Owners' home; and upon presentation of the maximum cost figure to Owners they shall immediately place in an escrow account to be established by the parties, Owners' maximum share of the costs to extend the sewer main, subject to the credit to be given Owners as set forth in numbered paragraph 3 hereof.
- 6. City shall extend payment of the full amount of the cost of construction of the sewer main extension, with attendant facilities, during the construction period; with the Owners' share of costs held in the escrow account pursuant to paragraph 5 hereof, less Owners' share of the design engineer's cost pursuant to paragraph 3 hereof, shall be paid to City by the escrow agent upon completion of the main sewer line extension, with attendant facilities. The project will be considered complete at the time City accepts the project from contractor.
- 7. When the final accounting is made for the main sewer line extension, with attendant facilities City's share of the total cost shall be:
 - a. All of the cost for the construction of the west 94 linear feet of the line and attendant facilities falling within or adjacent to said 94 linear feet extension, including installation of sanitary sewer pipe and manholes, backfill, and removal and replacement of asphalt pavement.
 - One-half of the general project costs, including preparation for and letting
 of bids, inspector services, soil testing, material submittal reviews,
 construction staking, erosion control, traffic control, change orders and
 other related charges.
 - c. One-half of the design engineer's costs, as referenced in paragraph 3 hereof.
 - d. One-half of the fees to be charged by the escrow agent.
- 8. When the final accounting is made for the main sewer line extension, with attendant facilities, Owners' share of the total cost shall be;

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- a. All of the cost for the construction of the east 147 linear feet of the line and attendant facilities falling within or adjacent to said 147 linear feet extension, including those items identified and listed in paragraph 7a. herein,
- b. One-half of the general project costs identified and listed in paragraph 7b. herein,
- One-half of the design engineer's costs, as referenced in paragraph 3 hereof.
- d. One-half of fees to be charged by the escrow agent.
- Owners shall pay all of the costs related to the installation of a lateral service line for the purpose of connecting Owners' home to the newly installed main sewer line extension, including all ordinary and regular City charges for such connection. Owners shall also execute any temporary construction easement if needed for the project.
- 10. For the purposes of this agreement the parties are not acting as an agent, partner or fiduciary of any kind, for the other.
- 11. Should there be unresolved issues arising out of the subject project, they shall be resolved solely by an action(s) filed with the District Court of Douglas County, Kansas. Arbitration is not permitted.

IN WITNESS WHEREOF, the parties have, or have caused this agreement to be executed on its behalf on the date(s) stated next to their respective signatures, with the last date of signing to be the effective date of the Agreement.

City: City of Lawrence, Kansas, a municipal corporation

David L. Corliss

Owners:

Sarah Clark

Nathan Clark

