

*Signed  
copy*

THIRD AMENDMENT  
TO  
AGREEMENT BY CITY OF WILLITS FOR DISPOSAL  
OF SEWAGE FROM BROOKTRAILS RESORT  
IMPROVEMENT DISTRICT

This agreement, made on \_\_\_\_\_ September 8, 1982, is between the City of Willits, a California general law city ("City") and Brooktrails Community Services District, successor in interest to Brooktrails Resort Improvement District ("District").

WHEREAS, the parties make this agreement with reference to the following facts and understandings:

A. On September 11, 1967, City and District entered into a written agreement entitled, Agreement by City of Willits for Disposal of Sewage from Brooktrails Resort Improvement District ("Original Agreement").

B. City and District now have amended the Original Agreement on two separate occasions, by written agreements entered into on April 17, 1970 ("First Amendment") and on November 21, 1975 ("Second Amendment"). By the terms of the Second Amendment, the First Amendment was repealed and rescinded and no longer has any force or effect. The Second Amendment also made substantial revisions to the Original Agreement, and these revisions remain in effect and continue to bind City and District.

C. After City and District entered into the Second Amendment, a new wastewater treatment plant was constructed and now serves both entities. This plant presently is

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approaching its design capacity, and the parties to this agreement find it in their mutual interest to provide for certain limited improvements to the plant which are designed to increase its capacity and improve its reliability of operation.

D. City's engineering consultant, Barrett, Harris & Associates ("consultant") has prepared an engineering pre-design report entitled, Wastewater Treatment Plant Expansion for the City of Willits (July, 1981), and therein has recommended certain interim improvements which will increase plant capacity.

E. City is in the process of putting out to competitive bid a project designed to carry out the consultant's recommendations for interim plant improvements. These are referred to in this agreement as the "Phase I Improvements" or as "the project", and generally consist of aeration basin dike extensions and related work, an aluminum box extension to the distribution structure, and the addition of a plug valve to the existing waste activated sludge piping. Reference is made to the Phase I Contract Documents, including specifications and drawings, for full particulars as to the scope of the work.

F. City and District wish to share in the cost of the Phase I Improvements and apportion between them the incremental plant capacity resulting from these improvements.

NOW THEREFORE, City and District agree as follows:

1. Effect of Agreement. Except as modified by the express terms of this agreement, the Original Agreement (as

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amended by the Second Amendment of November 21, 1975) shall remain in full force and effect.

2. Apportionment of Costs. The parties shall share equally the full cost of all Phase I Improvements. To that end, District shall pay to City \$43,244.50 plus an amount equal to Fifty Percent (50%) of any Change Orders as mutually agreed upon by City and District for Phase I Improvements, including but not limited to all costs of engineering, designing and constructing that project.

3. Time and Manner of Payments. The parties understand that City has or will enter into one or more contracts with others for the purpose of engineering, constructing and completing the Phase I Improvements, and that it will become obligated to make payments under such contracts from time to time. When City is required to make any installment or payment of any kind in connection with the Phase I Improvements, it shall invoice District for District's Fifty Percent (50%) share thereof, and District shall pay City the invoiced amount within thirty (30) days after receipt of each invoice.

4. Delinquent Payments. Notwithstanding Section 24 of the Second Amendment dated November 21, 1975, if District shall fail to make any payment required of it under this agreement within thirty (30) days from the due date thereof, interest at the rate of twelve percent (12%) per annum shall accrue thereon from the due date until paid.

5. Additional Capacity. The parties anticipate that completion of the Phase I Improvements will result in an

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increase in the capacity of the existing wastewater treatment plant. City and District each shall be entitled to, and shall have the exclusive right to use, Fifty Percent (50%) of the incremental capacity of the plant resulting from completion of the Phase I Improvements. As used herein, "incremental capacity" means that portion of the plant's total capacity, upon completion of the Phase I Improvements, which is in excess of the plant's present capacity measured as of the effective date of this agreement.

5. No Warranties. City has made no representations or warranties regarding the amount of additional plant capacity that may result from completion of the Phase I Improvements. However, City shall certify to District in writing after Phase I improvements are complete the total amount of incremental capacity available and that portion of incremental capacity to which the District shall be entitled.

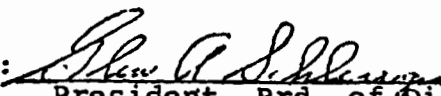
6. Effective date. This agreement shall take effect when it has been duly executed by authorized representatives of both City and District.

IN WITNESS WHEREOF, the undersigned, being officers of City and District duly authorized to execute this agreement, subscribe their names on the date(s) shown below.

CITY OF WILLITS

BROOKTRAILS COMMUNITY  
SERVICES DISTRICT

By:   
Mayor

By:   
President, Brd. of Directors

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ATTEST:

Frances Nelson  
City Clerk

ATTEST:

William C. Van Cope  
Secretary to the Brd. of Directors

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