

WASTEWATER SERVICE AGREEMENT
between the
City of Visalia
and the
Goshen Community Services District

No: 95-2

THIS AGREEMENT is made and entered into as of this 5th day of June, 1995, by and between the GOSHEN COMMUNITY SERVICES DISTRICT, a special district formed under the Government Code 6100 (hereinafter called "District"), and the CITY OF VISALIA, a Charter city created and existing under laws of the State of California (hereinafter called "City").

RECITALS

A. WHEREAS, the District has the power and authority to provide for collection, transmission, treatment and disposal of wastewater and is authorized to contract for such services; and,

B. WHEREAS, the District intends to construct a wastewater collection and transmission system for the community of Goshen which will initially collect an annual daily average of approximately 300,000 gallons of wastewater per 24-hour day which will require adequate treatment and disposal; and,

C. WHEREAS, the City owns and operates conveyance facilities, a wastewater treatment and disposal facility (hereinafter called "Plant"), located at 7579 Avenue 288, Visalia, California 93277, with adequate capacity to accept, treat and dispose of the wastewater proposed to be collected and discharged from the District to comply with the standards required by the Regional Water Quality Control Board or order, rule or regulation of any federal, state, regional, local (other than the City) or judicial authority; and,

D. WHEREAS, the City is willing to accept such wastewater and to provide such conveyance, treatment and disposal service and is authorized to do so under applicable law, subject to the provisions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by all parties hereto, it is agreed as follows:

ARTICLE I. ACCEPTANCE AND TREATMENT OF WASTEWATER.

1.1 Wastewater Acceptance and Discharge. The City agrees to accept, treat and dispose of, and the District agrees to discharge all sanitary and process wastewater it collects from the District (per Exhibit A), into the sewerage system of the City for treatment and disposal at the Plant, subject to the terms and conditions set forth herein.

1.2 Connection to City Collection System. Connection from District to the City shall be through a twenty four (24) inch gravity sewer in, or paralleling, Camp Drive. This line will connect to the existing City Highway 198-Airport lift station. The District will construct the twenty four (24) inch line as a part of its project. Such construction will be in conformance with the City Master Plan. At the time the line is placed in operation City will assume responsibility for maintenance of the line as a part of the City conveyance system. City will be responsible for any improvements to its lift station and conveyance facilities downstream of the point of connection.

The District will transfer ownership of the twenty four (24) inch line to City at the earliest time allowed by grant or loan conditions related to District's project funding.

The twenty four (24) inch line is planned to provide full capacity for the ultimate build out of the Goshen sphere of influence. Should the line capacity have to be increased or replaced in the future such increases or replacement shall be the responsibility of City. District will not be required to participate in the cost of any increase or replacement of capacity.

ARTICLE II. PARAMETERS OF DISCHARGE

2.1 Loading Limits.

The District agrees to limit discharge to the City system as follows.

(a) Average Daily Discharge: On an annual average basis, the District's daily discharge from the District shall not exceed any of the following limits:

	Average Daily Parameters (Annual Average)
Wastewater Flow ("Flow")	300,000 gallons/day
Biochemical Oxygen Demand ("BOD")	660 pounds/day
Suspended Solids ("SS")	780 pounds/day

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(b) Maximum Day Discharge: District's maximum day discharge from the District shall not exceed any of the following limits:

Maximum Day Parameters

Flow	450,000 gallons/day
BOD	990 pounds/day
SS	1,170 pounds/day

(c) Other Limitations: The wastewater discharge into the City system shall not:

(1) Contain oils, toxic chemicals, diatomaceous earth or other biologically toxic materials which would interfere with wastewater treatment processes or adversely affect the quality of the Plant's effluent.

(2) Have a pollutant level that causes the City's effluent from the Plant to exceed the requirements of the Regional Water Quality Control Board. In the event that the District's discharge causes the plant to exceed the requirements of the Regional Water Control Board thereby causing the City to modify its operations to comply with such requirements, the District, at its own option, shall either modify the loading from the District to achieve compliance or pay the City the actual cost of treating the noncomplying loading provided that (i) the City can establish to the reasonable satisfaction of the District that the City cannot comply with such discharge requirements unless the District adjusts the loading levels of its discharge from the District, (ii) such adjustment required of the District is no more than the minimum necessary to enable the City to comply with discharge requirements, and (iii) following any such adjustment all then existing and future dischargers to the Plant are subject to no less restrictive pollutant limitations than the District.

(3) Have an average daily wastewater temperature in excess of 150°F.

(4) Violate the Environmental Protection Agency pretreatment requirements applicable to the City as administered by the Regional Water Quality Control Board.

2.2 No Preliminary Treatment Requirement.

Absent any limitation by any entity with superseding authority, the City shall accept the District's waste discharge and the District shall not be subject to any preliminary treatment requirements including, without limitation, the provisions of the City Ordinance Code. The effluent requirements contained in this agreement shall be complied with in full by the District. In the event limitations or requirements are imposed by an entity with superseding

authority, they shall be complied with in full by the District to the extent necessary to achieve the limitations or requirements imposed.

The District reserves the right to require pretreatment of any and all effluent or waste products of any commercial or industrial dischargers that enters the District system.

2.3 Representations Regarding Capacity.

(a) The City acknowledges and agrees that the District has purchased the right to discharge wastewater to the City system in the amounts specified in Section 2.1 above, subject to payment of the fees and charges therefor as provided herein, and that the District has a vested right to discharge such wastewater at any time, continuously and from time to time, subject to the provisions set forth herein.

(b) The City has advised the District that the City has capacity in its existing City system which will facilitate treatment of the effluent to be discharged from the District pursuant to this Agreement. The City warrants, represents and agrees that at all times beginning with the District's commencement of operations within the District through the duration of this Agreement, City will make its best efforts to accept for treatment under applicable laws and regulations of Federal, state, regional and local authority any and all discharges from the District within the parameters set forth in Section 2.1. The District shall be responsible for the costs of constructing and installing any and all sewer line(s) from District's collection system, and for any flow meters, automated sampling, odor control and connection to the City system as necessary under this agreement.

(c) City shall not restrict, limit or otherwise mandate to the District in its determination of allocating the purchased capacity to any other person or entity, existing or proposed, within the adopted District Boundary, as maybe amended from time to time, or within the District's Sphere of Influence as approved by the Tulare County Local Agency Formation Commission, except when service such person or entity would impair, or adversely affect the ability of the conveyance facilities or the Plant to accept and treat the District's wastewater as provided herein beyond normal capacity, treatment and disposal impacts.

The District agrees to make a good faith effort to notify the City of any potential increases in wastewater flow, biochemical oxygen demand, suspended solids and other potential pollutant levels, indicated by any commercial and/or industrial development inquiries, that would significantly affect the quantity and/or quality of the District's discharge to the City system as soon as such potential impacts are made known to the District. Such notification is limited to the anticipated affect on the system and the anticipated change in loadings and does not include specifics regarding those persons or entities making the inquiry.

(d) If at any time any order, rule or regulation of any federal, state, regional, local or judicial authority shall terminate, interrupt or otherwise interfere with City's ability to accept, or City, for any reason whatsoever, whether within or beyond its control, shall be unable to accept all of the District's wastewater up to the amounts specified in Section 2.1 above, City

shall not grant any new connections to any other persons or entities within or outside the City of Visalia until additional capacity is available over and above said amounts. City further agrees in such event to reasonably commence, file and thereafter reasonably pursue all applications, reports, studies, plans and other proceedings with and before any Federal, state, regional and local authorities which are desirable or necessary to attempt to secure the approval of such authorities to permit the City to accept for treatment and treat all of the District's wastewater up to the amounts specified in Section 2.1 above, and City shall appropriate such moneys as may be necessary to repair, rebuild, improve, maintain and operate the conveyance facilities and Plant so as to satisfy the requirements and conditions of such authorities as required to permit the actual acceptance and treatment of all such wastewater from the District.

(e) The City shall not contract, agree or otherwise create wastewater collection, treatment and disposal service with any entity, corporation or individual which resides, does business within or requests service for any parcel, building, street or property within the boundary of the District. The City shall not renew any current contract with any entity, corporation, industry or property for wastewater service within the District at expiration thereof.

2.4 Sampling. In order to determine the BOD and suspended solids characteristics of the District's wastewaters, the District, at the District's cost, shall install a wastewater sampler and recording meter, with chart, which is capable of collecting 24-hour composite samples and accurately sampling the wastewater flow in proportion to the volume thereof. The District shall install, at District's cost, and in a location satisfactory to City, a continuous recording pH meter. District shall maintain said pH meter at District's cost during the term of this Agreement. The flow meter, pH meter and sampler shall be installed in a location satisfactory to the parties hereto and the District agrees to maintain such meters and sampler at District's cost. City shall be responsible for the collection of the samples and recordings at such intervals and for such durations as determined by the City. The District can monitor the sampling procedure and the samples collected and stored. At the end of each required sampling period, the sample shall be well mixed and divided equally between City and District. District shall provide City access to said sampling and recording equipment so that City may, at any reasonable time, collect and analyze samples and recordings.

2.5 Analyses of Samples. City may analyze the samples for the purpose of determining the BOD and suspended solids characteristics of District's wastewater discharge as may be relevant. The cost of such analysis shall be included in the monthly O & M charges paid by the District. All analyses of samples shall be made in accordance with the then current edition of "Standard Methods for the Examination of Water and Wastewater" or such standard reasonably acceptable to both parties, if the foregoing publication shall be discontinued.

2.6 Evaluation of Loadings. The results of the analyses of samples shall be treated in accordance with the procedures set forth in Exhibit "B" attached hereto and shall be the basis for establishing monthly billing. The City shall provide the District with copies of all flow,

loadings and sample test results, upon request.

ARTICLE III. EASEMENTS

3.1 Easements or Rights-of-Way. In the event that an easement is required for the completion of the Goshen Community Sewer Project, the City and District agree to cooperate and immediately issue and execute all necessary resolutions, title documents and any other documents sufficient in law to consummate the procurement of easements and/or rights of way. The City agrees to provide any necessary easements for the convenience of the District. The District agrees to provide any necessary easements to the City for the completion of the Sewer Project. Any easements shall be provided at no cost to the requesting party.

ARTICLE IV. CHARGES

4.1 Buy In to City Conveyance System. Based on the Maximum Day Discharge set forth in Section 2.1(b) District shall pay a one time Conveyance System Charge of \$ 445,500.00 (the "Conveyance System Charge"), subject to City's compliance with Sections 2.3(a), (b) Representations of Capacity and 4.9 Use of District Facilities by City. The Conveyance Connection Charge shall cover all costs, fees and charges (except those costs paid by District pursuant to Section 2.3(b)) otherwise chargeable to the District in connecting the District system to City conveyance facilities. Payment of the Conveyance Connection Charge shall be credited by City in accordance with Section 4.2. In no event shall the Conveyance Connection Charge for all costs related to connection and or conveyance capacity allowance per Section 2.1 be more than the above stated Conveyance Connection Charge.

4.2 Credit for City Master Plan Lines. The District project includes several eighteen (18) inch lines and the twenty four (24) inch lines which are part of the City Master Plan. City will credit District with the estimated cost of the lines as set forth in the City Master Plan. The basis for the estimated credits are set forth in Exhibit "D" attached hereto. The credit shall be applicable to current Conveyance Connection Charges and future Conveyance Connection Charges due under Section 4.3. The credit shall not be applicable to Treatment Connection Charges in Section 4.3. City will not make any cash payments to District for the credits.

4.3 Treatment Connection Charge. District shall pay City a one time Treatment Connection Charge of \$ 589,111.20 (the "Treatment Connection Charge"), subject to City's compliance with Sections 2.3(a),(b) Representations of Capacity and 4.9 Use of District Facilities by City. The Treatment Connection Charge shall cover all costs, fees and charges (except those costs paid by District pursuant to Section 2.3(b)) otherwise chargeable to the

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District in connecting the District's system to the Plant. The District shall pay the Treatment Connection Charge to City pursuant to the schedule provided in Exhibit "C" attached hereto. In no event shall the District be required to pay more than the above stated Treatment Connection Charge for all costs related to connection and/or capacity allowance per Section 2.1 contained herein.

4.4 Additional Connection Charge. District shall have the right, subject to the City then having available capacity to accept additional wastewater discharge, to increase District's permitted annual Average Daily Discharge by the payment of an Additional Conveyance Connection Charges or Treatment Connection Charge determined on the basis of the volume and other discharge parameters of the proposed increase, such determination to be made in accordance with the amount of any such increase multiplied by the rate established by the City Council in the then applicable annual Revenue Program Revision or Resolution pursuant to adopted City Ordinance Code. Upon payment of such Additional Conveyance Connection Charges or Treatment Connection Charge the provisions of Section 2.1(a) shall be deemed amended to increase the District's permitted annual Average Daily Discharge by the excess discharge in respect of which District has made such payments, and, concurrently, the Maximum Day Discharge parameters set forth in Section 2.1(b) shall also be proportionately increased.

4.5 Sewer Service Charge. In addition to the Treatment Connection Charge set forth in Section 4.3, the District shall pay to the City monthly sewer service charges in accordance with rates established by City Resolution. The Sewer Service Charges shall consist of O & M Charge as defined by City Resolution. Nothing in this Agreement shall prevent the City from amending its rate schedule for such Sewer Service Charges from time to time, provided that any such charges to the District shall be consistent with the then current rates and charges in effect for other customers with similar sewer service demands and the provisions of Section 204(b)(1)(A) of the Federal Water Pollution Control Act, 33 U.S.C § 1284(b)(1)(A), and any guidelines adopted by the Environmental Protection Agency in accordance therewith, and provided further that in any event such amendments shall not discriminate against the District.

4.6 Payment. The City shall bill the District monthly for sewer use charges and the District shall pay the City within 30 days upon receipt of said billing.

4.7 Adequacy of Connection Charges.

(a) The parties agree that the charges set forth in this Article IV, shall constitute the District's entire liability for, and shall be in lieu of, payment of any and all charges or fees which may be assessed by the City for the purpose of providing sufficient and appropriate treatment of wastewater discharged by the District in accordance with the limitations set forth above. District shall be liable however, for any additional charges assessed pursuant to Section 4.5 above.

(b) Anything contained in this Agreement to the contrary notwithstanding, District shall be entitled to a pro rata reimbursement of the Treatment Connection Charges set forth in

Sections 4.3 and 4.4 in the event it implements, consistent with federal and state law, an alternative mechanism for the disposal of all or a portion of the District's wastewater and thereby: (1) permanently reduces the amount of wastewater discharged to the Plant; and (2) enables the City to allocate to other entities the increased capacity to treat and dispose of wastewater resulting from such reduction. The amount of such reimbursement shall equal the Treatment Connection Charge, plus any Additional Treatment Connection Charge paid pursuant to Section 4.4, multiplied by the following: (i) the percentage reduction in the discharge parameters set forth in Section 2.1(a) as evidenced by the weighted average reduction in flow, BOD and suspended solids, taking into consideration each of those parameter's proportionate contribution to all treatment connection charges previously paid by District; and, (ii) a fraction, the numerator of which is the unexpired term of this Agreement and the denominator of which is 30. Such reimbursement shall be paid at such time as the discharge capacity is released by District to the City.

4.8 Reimbursement. In the event the City derives revenue or benefit from the sale and/or lease of either the treated water or waste products resulting from the processing of all or part of the District's discharge, such revenues or benefits shall be credited to the cost of operation of the City treatment and disposal facilities to reduce the costs used in establishing City rates.

4.9 Use of District Facilities by City. City has identified areas of the City for which sewer services may be provided by connection to the District facilities. District agrees to consider such connections by City on a case by case basis. Such requests by City shall be submitted in writing and shall indicate the point of proposed connection and the anticipated flows and pollutant loadings. Approval of such City connections shall be at the sole discretion and decision of the District. The City shall make no connections to the District facilities without the prior written approval of the District.

For each such City connection allowed by District, City shall provide metering and sampling facilities, or other reasonable basis as determined by the District, for determining the City loadings being contributed to the District facilities. Such facilities shall provide sampling and testing of City wastewater on the same schedule and parameters as required of the District for connection to the City plant, unless the District agrees to different requirements for sampling and testing. The total flows and pollutant loadings contributed to the District facilities by City connections shall be subtracted from the total District flows and loadings to the City plant to determine the basis for City charges to the District.

For each connection to the system approved by the District, the City shall pay all costs of the connection and related metering and sampling requirements. In addition the City shall reimburse the District for the capacity of District facilities used to convey the connected City flows. Reimbursement shall be determined on a pro rata basis of the capacity used by the City to the total capacity of the District facilities used by the City, as determined by the District.

Approval of City connections to the District facilities shall in no event affect or limit the rights of the District to discharge to the City plant as set forth in this agreement.

4.10 Expansion of the Plant. In the event the City decides to construct additional capital improvements to, or otherwise expand the Plant, other than to comply with more stringent discharge regulations imposed by regulatory agencies, the District shall not be responsible for any additional charges based on the capital improvements or expansion except where such capital improvements or expansion are required for capacity for the District in excess of that provided in this agreement. In any event the City shall notify the District a minimum of 180 days in advance of any anticipated capital improvements or expansion, if it would interfere with District's discharge of wastewater.

In the event City is required to construct additional capital improvements to comply with more stringent discharge regulations imposed by a regulatory agency, it shall not assess the District any additional charges for such capital improvements unless such charges are apportioned on a nondiscriminatory manner among all then existing users of the Plant.

4.11 Right to Reclaimed Water. The District shall have the right to an amount of reclaimed water not to exceed the yearly total flow the District conveys to the City for treatment and disposal. The District shall be entitled to the reclaimed water without payment to the City other than the pro-rata share of the expense of transmission facilities and related operation and maintenance costs for the City facilities used to convey the reclaimed water. The District shall be responsible for the cost of the connection to the City reclaimed water system and conveyance facilities from the City system to the District point of use.

ARTICLE V. CONTRACT TERM

5.1 Term. This agreement shall continue until terminated pursuant to Section 5.2.

5.2 Termination. This agreement may only be terminated upon the written consent of all parties. Such consent may be withheld in the sole discretion of each affected party.

ARTICLE VI. REMEDIES

6.1 Specific Performance. The parties hereto recognize that since the extent of damage caused by any breach of the provisions of this Agreement may be extremely difficult to determine, and any action for damages may be an inadequate remedy for such breach, an action for specific performance may be necessary to provide an adequate remedy for such breach, and it is agreed that nothing contained herein is intended to make unavailable, the remedy of specific performance.

Without limiting the foregoing, it is expressly acknowledged and agreed that District would suffer irreparable harm and injury, for which damages or other remedy at law would not

be adequate, should the City in any manner seek or take any action to impair or reduce City's ability to accept any wastewater discharges from the District up to the discharge limits set forth in Article II above. District and City expressly recognize and agree that in such instance, and without limiting any other remedies available to District, District shall be entitled to pursue injunctive relief, restraining order, or other appropriate remedies to prevent City from depleting or in any way reducing its ability to accept for treatment any of District's wastewater discharges in accordance with the terms of this Agreement and/or to require City to take such actions as may be necessary to accept such wastewater discharges for treatment.

Also without limiting the foregoing, it is expressly acknowledged and agreed that the City would suffer irreparable harm and injury, for which damages or other remedy at law would not be adequate, should the District seek or take any action, including but not limited to discharge in a manner in violation with any statute, ordinance, or other state or federal recommendation or law, or fail to enforce any pre-treatment limits. District and City expressly recognize and agree that in such instance, and without limiting any other remedies available to City, City shall be entitled to pursue injunctive relief, restraining order, or other appropriate remedies and/or to require District to take such action(s) as may be necessary.

6.2 Force Majeure. Notwithstanding anything to the contrary herein, it is agreed that in the event and to the extent that fire, explosion, stoppage of labor, war, act of God, act of the public enemy, accident, strike, labor troubles (whether or not within the power of the party to settle the same), judgment, decree or order of a competent judicial or governmental authority, or any other cause whatsoever beyond the control of a party hereto (excluding a financial inability to perform), whether similar or dissimilar to the causes mentioned, prevents or delays performance by a party hereto, that party shall be relieved of such performance and the consequences thereof, without liability, for so long as and to the extent that such performance is prevented by such cause; provided, however, that the party excused from such performance shall use due diligence in resuming same at the earliest practical time, and provided further that any suspension of the services to be provided by City to District hereunder and any restoration of such suspended services shall not be made in any manner which discriminates against District in relation to any other users of the Plant.

ARTICLE VII. HOLD HARMLESS

7.1 City. The City shall specifically hold harmless, defend and indemnify the District from any and all liability, costs, damages, claims, actions, losses, fees, fines or litigation costs, including death or injury to any person and/or damage to property, including District property, arising out of the construction, operation and/or maintenance of the Goshen Community Sewer project caused by the intentional or negligent activities of agents, employees, contractors and/or officers of the City.

The City shall hold harmless, defend and indemnify the District, their agents, officers

and employees from and against any liability, claims, actions, costs, damages or losses of any kind, including death or injury to any person and/or damage to property, including District property, arising out of the activities of the City or its agents, officers and employees under this Agreement. This indemnification obligation shall continue beyond the term of this Agreement as to any acts or omissions occurring under this Agreement or any extension of this Agreement.

7.2 District. The District shall specifically hold harmless, defend and indemnify the City from any and all liability, costs, damages, claims, actions, losses, fees, fines or litigation costs, including death or injury to any person and/or damage to property, including City property, arising out of the construction, operation and/or maintenance of the Goshen Community Sewer project caused by the intentional or negligent activities of agents, employees, contractors and/or officers of the District.

The District shall hold harmless, defend and indemnify the City, their agents, officers and employees from and against any liability, claims, actions, costs, damages or losses of any kind, including death or injury to any person and/or damage to property, including City property, arising out of the activities of the District or its agents, officers and employees under this Agreement. This indemnification obligation shall continue beyond the term of this Agreement as to any acts or omissions occurring under this Agreement or any extension of this Agreement.

ARTICLE VIII. MISCELLANEOUS

8.1 Waiver. No waiver by City or District of any term or condition of this Agreement shall be deemed to be or construed as a waiver of any other term or condition, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or a different provision of this Agreement.

8.2 Assignment. No party hereto shall have the right to assign this Agreement or any of its rights and obligations hereunder without first securing the other party's written consent, except that this prohibition shall not be applicable to any change of ownership of the District sewer system improvements and/or operation and maintenance involving the District. Such consent shall not unreasonably be withheld or delayed.

8.3 Notices. Whenever notice is required or permitted hereunder from one party to the other, the same shall be in writing and shall be given effect by hand delivery or by mailing same by certified or registered mail, to the party to whom given as follows:

City:

City of Visalia
707 W. Acequia Street
Visalia, California 93291
Attention: City Manager

and District:

Goshen Community Services District
P. O. Box 2
Goshen, California, 93227

with a copy to:

Tom Watson
Jenner & Watson
3500 W. Mineral King Ave., Suite C
Visalia, California 93291

or to such other person or address as may hereinafter be designated by one party to the other in writing. Notice by certified or registered mail shall be deemed to have been given as of the date it is mailed, postage prepaid.

8.4 Changes. This Agreement cannot be changed, discharged, or terminated orally, but only by agreement in writing, signed by the parties hereto.

8.5 Law. This Agreement shall be deemed to be made, entered into and executed in, and shall be construed in accordance with the laws of the State of California. Venue is only appropriate in either Tulare County or the Eastern District of the United States District Courts.

8.6 Construction. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or any other provision of this Agreement.

8.7 Headings. Article and Section headings in this Agreement are for convenience only and are not to be construed as a part of this Agreement or in any way limiting or amplifying the provisions hereof.

8.8 Attorney's Fees. If any legal action or other proceeding is brought for the enforcement of this Agreement, or because of any alleged dispute, breach, or default arising out

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of or in connection therewith, the successful or prevailing party shall be entitled to recover reasonable attorneys' fees and other costs and expenses incurred in connection with such action or proceeding in addition to any other relief to which it may be entitled.

8.9 Entirety. This Agreement merges and supersedes all prior negotiations, representations and preliminary or other agreements between the parties hereto relating to the subject matter hereof, with the exception of the issue of pre-treatment, which will be addressed in a separate document, signed by the parties, and incorporated herein as if set forth in its entirety, and constitutes the entire contract between the City and District for the acceptance and treatment of wastewater from the District. This Agreement shall control in the event of any conflict or inconsistency with any other provisions of any City Ordinance or any rules, resolutions, or regulations incorporated therein or adopted pursuant thereto.

8.10 Counterparts. This Agreement may be executed in one or more counterparts, and all so executed shall constitute one contract, binding on the parties, notwithstanding that all parties are not signatory to the same counterpart.

8.11 Funding Contingency. The District shall apply to the United States Department of Agriculture, Rural Economic and Community Development Service (hereinafter referred to as RECDS) for funding to initiate and complete the Project. The District shall have a written commitment by the USDA/RECDS by December 31, 1995. The grant of the funding is an expressed condition precedent of this Agreement, incorporated herein. In the event that funding is denied by the USDA/RECDS, the District shall have the right to terminate this Agreement upon 30-days written notice without payment, forfeiture or penalty.

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IN WITNESS WHEREOF, the parties hereto have executed this Wastewater Service Agreement No. _____ as of the day and year first above written.
GOSHEN COMMUNITY SERVICES DISTRICT

By: Howard Bly
Chairman

ATTEST:

Marguerite Cau
Clerk of the
Board of Directors

Approved as to form:

M. J. Walsh
District Counsel

CITY OF VISALIA
a municipal corporation

By: Payson W. Farmer
City Manager

ATTEST:

Randy H.

City Clerk

Approved as to form:

John H. Johnson

City Attorney

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GOSHEN COMMUNITY SERVICES DISTRICT

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COMMUNITY SERVICES DISTRICT BOUNDARY

SPHERE OF INFLUENCE BOUNDARY

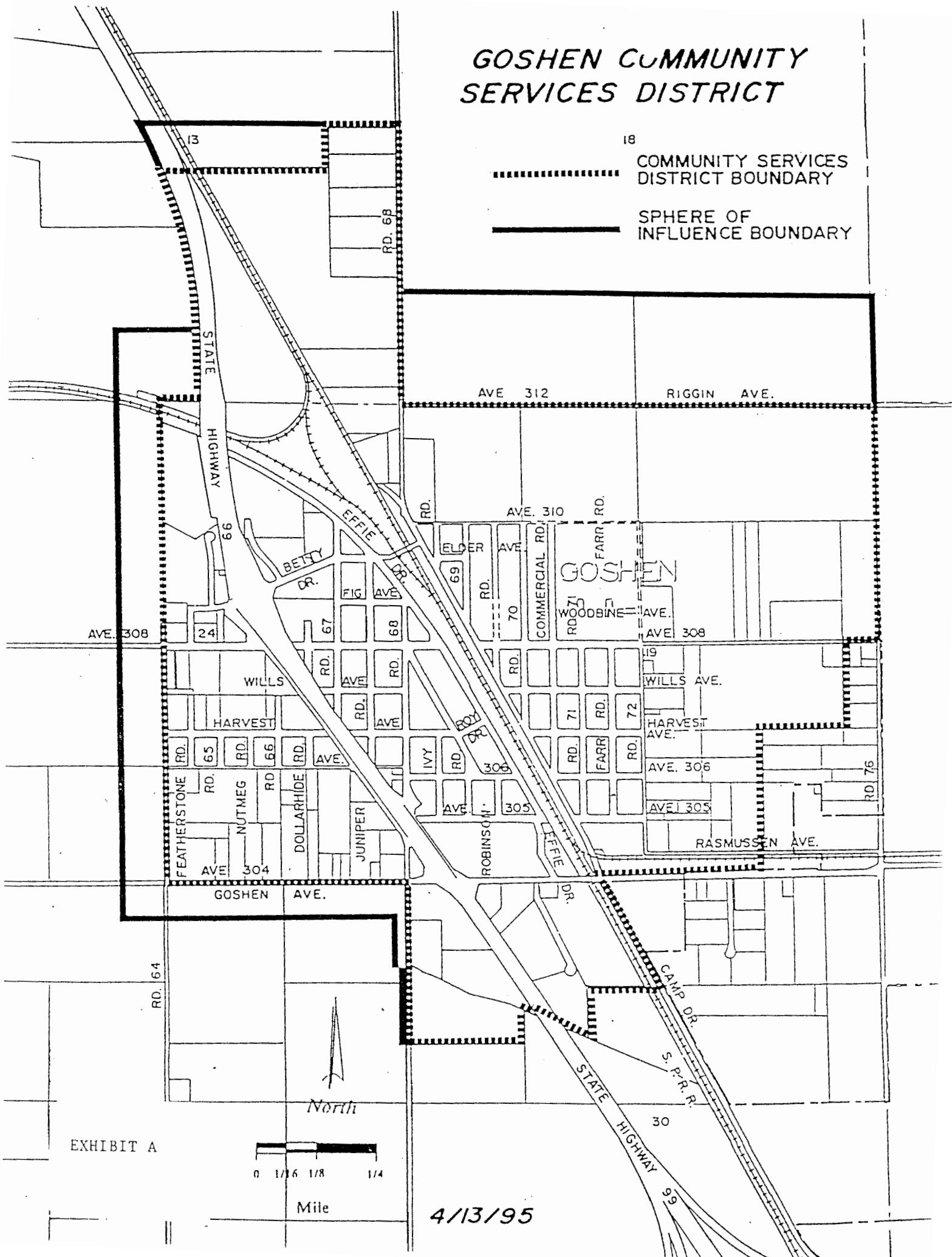


EXHIBIT A

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Mile

4/13/95

**GOSHEN COMMUNITY SERVICES DISTRICT
BOUNDARY DESCRIPTION
April 1995**

That portion of Sections 13 and 24 of Township 18 South, Range 23 East, and Sections 19 and 30 of Township 18 South, Range 24 East, Mount Diablo Base & Meridian, County of Tulare, State of California, according to the official plat thereof, described as follows:

Beginning at the southeast corner of Section 13; thence,

North along the east line of said Section, a distance of 3,131.04 feet, to the easterly prolongation of the north line of Parcel No. 1 of Parcel Map No. 540 filed in Book 6 of Parcel Maps, page 40, Tulare County Records; thence,

West along said easterly prolongation and along said north line, a distance of 764.28 feet, to the northwest corner of said Parcel; thence,

South along the West Line of said Parcel Map, a distance of 465.21 feet, to the north line of Parcel No. 2 of Parcel Map No. 273, filed in Book 3 of Parcel Maps at Page 73, TCR; thence,

West along said north line and along the north line of the south one-half of said Section, a distance of 1434.19 feet, to the northwest corner of said Parcel; thence,

Continuing West along the north line of said south one-half, to the westerly right-of-way line of California State Highway 99; thence,

Southerly along said westerly right-of-way line to the north line of Section 24; thence,

West along said north line, a distance of 478.24 feet, to the north one-quarter corner of said Section; thence,

South along the west line of the east one-half of said Section, to the south one-quarter corner of said Section; thence,

East along the south line of said Section to the northwest corner of Section 30; thence,

South along the west line of said Section, a distance of 1,980 feet, more or less, to the southwest corner of Parcel No. 2 of Parcel Map No. 1028; recorded in Book 11 of Parcel Maps, at Page 29, Tulare County Records; thence,

East along the south line of said parcel, a distance of 1,320 feet, more or less to the east line of the southwest one-quarter of the northwest quarter of said Section; thence,

North $0^{\circ}00'38''$ East, 388.21 feet, along said east line to a point on the south line of Mill Creek;

thence,

South $68^{\circ}59'41''$ East, 89.29 feet, along said south line of Mill Creek to the northwesterly line of that parcel described in Exhibit "A" of grant deed recorded April 9, 1987 in Volume 4554, Page 104 of Official Records of Tulare County, California; thence,

North $21^{\circ}00'19''$ East, 104.46 feet, along said northwesterly line to the southwesterly right-of-way line of California State Highway 99; thence,

Southeasterly along said southwesterly right-of-way line to a point on the south bank of Mill Creek; thence,

Southeasterly along said south bank of Mill Creek to the northeasterly right-of-way line of California State Highway 99; thence,

Continuing along said south bank of Mill Creek, South $70^{\circ}26'13''$ East, a distance of 178.10 feet; thence,

North $00^{\circ}01'10''$ East, a distance of 568.91 feet, to the northeast corner of the west one-half of the southeast one-quarter of the northwest one-quarter of said Section; thence,

East along the south line of the north one-half of the north one-half of said Section, a distance of 659.52 feet, to the northeast corner of the southeast one-quarter of the northwest one-quarter of said Section; thence,

Continuing east along said south line to the northeasterly right-of-way line of the Southern Pacific Railroad Main Line; thence,

Northwesterly along said northeasterly right-of-way line to a point therein located on the north right-of-way line of Avenue 304 (Goshen Avenue); thence,

East along said north right-of-way line, a portion there of also being the existing city limit line of the City of Visalia, to a point therein located on the east line of the southwest one-quarter of the southeast one-quarter of Section 19; thence,

Leaving the existing city limit line, north along said east line to a point therein located on the south line of the of the north 60 acres of the southeast one-quarter of said Section; thence,

East along said south line to a line parallel with and 438 feet west of the east line of said Section; thence,

North along said parallel line, a distance of 990 feet, more or less, to the north line of said north 60 acres; thence,

East along said north line, a distance of 438 feet, to the east one-quarter corner of said Section, said corner also being on the existing city limit line of the City of Visalia; thence,

North along the east line of said Section and the existing city limit line to the northeast corner of said Section; thence,

Leaving the existing city limit line, west along the north line of said Section to the Point of Beginning.