

RECORDED AT THE REQUEST OF AND
RETURN TO:

Napa Sanitation District
1515 Soscol Ferry Road
Napa, CA 94558

Exempt from Recording Fees
Per G.C. 27383

RE: Stanly Ranch Resort
APN 047-230-059, 047-230-060
047-230-061, 047-230-062

PRIVATE SANITARY SEWER AND RECYCLED WATER MAIN AGREEMENT

THIS AGREEMENT is made as of this _____ day of _____, 20____ by and between SRGA, LP, a Delaware limited liability company ("Owner") and the Napa Sanitation District, a California special district ("District") with reference to the following facts.

RECITALS

A. The Owner is the fee simple owner of certain real property located within the City of Napa, California, known as APN 047-230-059, 047-230-060, 047-230-061, and 047-230-062, formerly Lots 3, 4, 9, and 10 as shown on the map entitled "Final Map of the Stanly Ranch Vineyards Subdivision", 24 RM 32, (individually, the "Parcels" and together, the "Property").

B. Due to the configuration of the Parcels, the parties have agreed that the Owner will own and maintain a private sanitary sewer and recycled water mains on the Property (the "Private Mains"). The parties have agreed that this private ownership arrangement is preferable to a public main owned and maintained by the District, which would require an easement dedicated to the District and certain setback and access requirements.

C. In the Covenants, conditions, and restrictions (CC&Rs) associated with the Property, the "Private Mains" are any line that runs from the Napa Sanitation District's public mains located within the public easements to a location on private property.

D. This Agreement is to clarify the rights, duties and obligations of the parties regarding the maintenance of the Private Mains and the private laterals that connect each Parcel Owner's buildings or irrigation systems to the Private Mains ("Lateral").

AGREEMENT

1. **Construction of Private Mains and Laterals.** Except for the setbacks and access requirements, the design and construction of the Private Mains and Laterals, as shown on Exhibit A and Exhibit B attached hereto and incorporated herein by this reference, shall be carried out in full accordance with all District specifications. The District must inspect and sign off on the construction before it is backfilled.

2. **Maintenance of the Private Mains.** The Owner, on behalf of itself and for the benefit of each future owner of the Parcels comprising the Property and the District, hereby agrees to require via a provision in the CC&Rs or otherwise, all future owners of the Parcels (the "Parcel Owners") to agree to maintain, repair and replace as necessary the Private Mains. The costs of this obligation shall be borne by the Parcel Owners served by the Private Mains.

3. **Maintenance of Laterals.** The Owner, on behalf of itself and for the benefit of the Parcel Owners and the District, hereby agrees to require all Parcel Owners, in accordance with the CC&R's, to be responsible for the maintenance, repair and replacement as necessary of all portions of any Laterals.

4. **Not Used.**

5. **Grant and Establishment of Reciprocal Easements.** Owner grants to each Parcel and each Parcel Owner as the dominant tenements the following mutual, perpetual, and reciprocal easements:

(a) **Access Easement.** A nonexclusive easement over and under the private roads and any other portion of each Parcel under which the Private Mains are situated, encumbering each Parcel to provide vehicular and equipment ingress and egress.

(b) **Maintenance Easement.** Each Parcel as a servient tenement is subject to an easement in favor of each other Parcel as the dominant tenement for the purpose of providing each Parcel Owner and their agents such access as may be necessary to perform the maintenance duties described herein.

The easements granted herein shall be deemed to be established upon the recordation of this Agreement, whether or not they are set forth in the grant deed to the parcels, and shall thenceforth be deemed to be and are enforceable as equitable servitudes and covenants running with the land for the use and benefit of the Parcel Owners.

6. **Notice to Subsequent Owners.** In the event that ownership of the Parcels or a Parcel is transferred to a subsequent owner(s), the Owner of that parcel agrees to notify in writing the subsequent owner(s) a minimum of thirty (30) days prior to the close of escrow on the subject parcel, of the existence of this recorded agreement.

7. **Hold Harmless; Indemnification.**

(a) The District shall not, nor shall any elective or appointive boards, commissions, officers, agents or employees of the District (collectively, "Indemnitees"), be liable or responsible for any accident, loss, damage or injury, including death, as well as claims for property damage that may arise in the course of construction, operation or maintenance of the Private Mains or any Laterals except for accident, loss, damage, injury, death and claims for property damages caused by the negligence or intentional misconduct of the District, its agents or employees.

(b) To the fullest extent permitted by law, Owner agrees to, and shall hold harmless and indemnify the Indemnitees from any and all liability, loss, cost, expense (including without limitation attorney's fees and costs of litigation), claim, demand, action, suit, judicial or administrative proceeding, penalty, deficiency, fine, order, and damage (collectively, "Claims"), which directly or indirectly, in whole or in part, are caused by, arise in connection with, result from, relate to, or are alleged to be caused by, arise in connection with, result from, or relate to the construction, operation, or maintenance of the Private Mains or Laterals except for Claims caused by the sole and active negligence or intentional misconduct of the Indemnitees.

(c) Owner agrees to require, via CC&Rs or other document, Parcel Owners to hold harmless and indemnify the Indemnitees from any Claims which directly or indirectly, in whole or in part, are caused by, arise in connection with, result from, relate to, or are alleged to be caused by, arise in connection with, result from, or relate to the construction, operation, or maintenance of the Private Mains or Laterals except for Claims caused by the sole and active negligence or intentional misconduct of the Indemnitees.

(d) Owners agree to, and shall upon request, promptly and fully defend the Indemnitees from any suits or actions at law or in equity for damages caused or alleged to have been caused, by reason of any activities for which Owners are indemnifying the Indemnitees under paragraph 7(b) above.

(e) The provisions of this section shall apply to all Claims of every kind suffered or alleged to have been suffered, in the course of construction, operation, or maintenance of the Private Mains or Laterals regardless of whether or not the District has prepared, supplied, or approved of the improvement plans and/or specifications for the land division or the Private Mains or Laterals relating thereto, and regardless of whether or not insurance policies may be determined to be applicable to any of such Claims.

8. Covenants Running with the Land. The provisions of this Agreement shall be equitable servitudes and covenants running with the land, binding upon and inure to the benefit of each Parcel and each successive Parcel Owner. The provisions of this Agreement are enforceable by Owner, the District and any future Parcel Owner against any other owner, tenant or occupant of a Parcel. Each Parcel Owner shall have the right to enforce, in any manner permitted by law or in equity, including by arbitration, any and all of the provisions of this Agreement upon other Parcel Owners.

9. Failure to Maintain. In the event the District believes that Owner or Parcel Owners have failed to comply with the requirements of this Agreement, or if the District

believes that lack of proper maintenance has created the potential for adverse impacts to public health and safety, the District is hereby granted the right to enter upon the Property to access the Private Mains and perform whatever work is reasonably necessary to correct the situation. In such case, the District may bill Parcel Owners for the entire cost and expense of such maintenance, including administrative costs, and interest to the maximum amount permitted by law from and after 30 days from the date the maintenance expense bill is mailed by the District to Parcel Owners, their successors and assigns. In the event any such maintenance expense bill is not paid within said 30 days, the District may initiate a civil action to recover the amount owed, and the prevailing party in such action shall be entitled to recover its costs, including reasonable attorney's fees. The District also shall be entitled to cause a lien for any such unpaid maintenance expense bill to be recorded against the Property or Parcel whose Owner has not paid the bill. In addition, the District shall be entitled to have the unpaid amount of the maintenance expense bill placed as a special assessment on the next regular tax bill levied against the Property, Parcel or lot, after which such assessment shall be collected in the same manner as ordinary municipal taxes are collected, and shall be subject to the same penalties and same procedures under foreclosure and sale in the case of delinquency as provided for ordinary municipal taxes. The actions described in this section are in addition to and not in lieu of other legal remedies provided by law. Notwithstanding the above, it is understood that the District is under no obligation to repair or maintain the Private Mains or the Laterals and in no event shall this Agreement be construed to impose any such obligation on the District.

10. Pollution Liability. The Owner or Parcel Owners are responsible for impacts from sanitary sewer overflows or recycled water leaks from the Private Mains or Laterals. The Owner's or Parcel Owners' liability for such sanitary sewer overflows shall include, but not be limited to, cleanup and repair costs and any fines imposed by local, state or federal regulatory agencies in connection with such sanitary sewer overflows. To the fullest extent permitted by law, the Owner or Parcel Owners shall also indemnify, defend and hold Indemnitees harmless from any and all Claims, which directly or indirectly, in whole or in part, are caused by, arise in connection with, result from, relate to, or are alleged to be caused by, arise in connection with, result from, or relate to sanitary sewer overflows or recycled water leaks from the Private Mains or Laterals.

11. General Provisions. This Agreement contains the entire agreement of the parties and cannot be amended or modified except by written agreement. This Agreement shall be construed and interpreted in accordance with the laws of the State of California. This Agreement shall run with the property and the parcels comprising it, and be binding on and inure to the benefit of the respective successors, assigns, heirs, and personal representatives of the parties. Except for its own obligations to indemnify and hold harmless the District, Owner may assign its rights and delegate its obligations under this Agreement to Parcel Owners without the consent of the District, whereupon the Owner shall have no further liability to the District hereunder.

12. Amendment of CC&Rs. Owner agrees to include a provision in the CC&Rs that requires the District approval before any amendments can be made to the CC&Rs that affect any District-requested provisions.

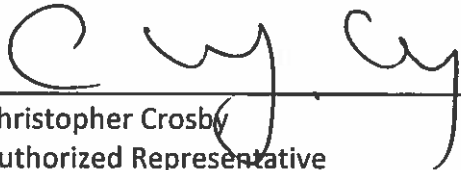
* * * * *

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

OWNER:

SRGA, LP, a Delaware limited liability company

By:



Christopher Crosby
Authorized Representative

NAPA SANITATION DISTRICT:

Napa Sanitation District, a California Special District

By:

Jill Techel
Chair, Board of Directors

ATTEST:

By:

Cheryl Schuh
Secretary, Board of Directors

All signatures must be notarized.

Attachments: Exhibit A, Exhibit B

APPROVED AS TO FORM:

By:



John Bakker
District Legal Counsel

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

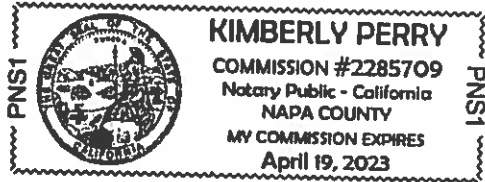
County of Napa)

On August 28, 2019 before me, Kimberly Perry, Notary Public
(insert name and title of the officer)

personally appeared Christopher Crosby,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.



Signature Kimberly Perry (Seal)

EXHIBIT A



1515 FOURTH STREET
NAPA, CALIF. 94559
OFFICE | 707 | 252.3301
+ www.RSAcivil.com +

RSA+ | CONSULTING CIVIL ENGINEERS + SURVEYORS + est. 1980

JULY 29, 2019 4113070.0 Exh-SS Main 1 of 1

STANLY RANCH RESORT & SPA
SS PRIVATE MAIN EXTENTS EXHIBIT

APN 047-230-059

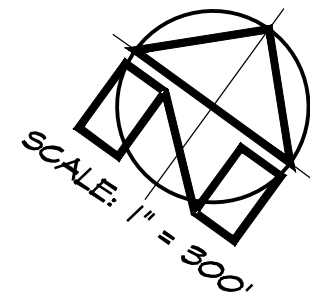
APN 047-230-060

APN 047-230-061

APN 047-230-062

LOCATION OF
PRIVATE SANITARY
SEWER MAINS.

CONNECTION TO PUBLIC
SANITARY SEWER



NOTE: NO PUBLIC
SEWER ON THE
PARCELS IN THIS
EXHIBIT

EXHIBIT B

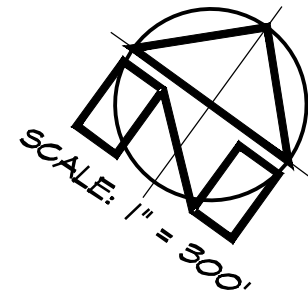
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STANLY RANCH RESORT & SPA
RECYCLED WATER MAIN
EXTENTS EXHIBIT



NOTE: NO PUBLIC
RECYCLED WATER
MAINS ON THE
PARCELS IN THIS
EXHIBIT

LOCATION OF PRIVATE
RECYCLED WATER MAIN

CONNECTION TO PUBLIC
RECYCLED WATER MAIN

APN 047-230-059

APN 047-230-060

CONNECTION TO
PUBLIC RECYCLED
WATER MAIN

APN 047-230-061

APN 047-230-062

CONNECTION TO PUBLIC
RECYCLED WATER MAIN

CONNECTION TO
PUBLIC RECYCLED
WATER MAIN