

SAN JOSE WATER COMPANY
(U-168-W)

FORM 18
FIRE MAIN EXTENSION, HYDRANT
AND/OR
PRIVATE FIRE PROTECTION SERVICE
(may include work on general metered service)

A G R E E M E N T

THIS AGREEMENT, made and entered into this _____ day
of _____, 19 ___, by and between the person
or persons listed in paragraph 1 hereof, hereinafter collectively
referred to as "Applicant," and SAN JOSE WATER COMPANY, a
California corporation, hereinafter referred to as "Utility,"

W I T N E S S E T H

WHEREAS, Applicant is the owner of certain real property
situated in the County of Santa Clara, State of California; and

WHEREAS, Utility is presently legally operating and
maintaining certain water facilities owned by Utility in an area
in said County of Santa Clara, as more particularly shown on that
certain map attached hereto marked Exhibit "A" and by this
reference made a part hereof, said facilities being hereinafter
referred to as the "Old Facilities"; and

WHEREAS, Applicant desires to have made available mains
and/or appurtenances needed to meet various local fire protection
requirements involving the relocating, removing or abandoning of
the Old Facilities and/or the installation of certain new water
facilities, hereinafter referred to as the "New Facilities"
substantially as shown on that certain map attached hereto,

marked Exhibit A, to be installed in accordance with Utility's usual practices; and

WHEREAS, upon the terms and conditions herein set forth Utility is willing to accomplish such work upon the New and Old Facilities, said facilities being hereinafter sometimes referred to collectively as the "Total Facilities", provided that the actual total installed cost of the same shall be borne by Applicant as more particularly set forth below; and

WHEREAS, Utility is willing to furnish water service through and by means thereof at the rates and in accordance with the rules of Utility now in force, or that may from time to time hereafter be lawfully established; and

WHEREAS, such work is not covered by Utility's Rule 15, a copy of which is attached hereto as Exhibit B; and

WHEREAS, Utility will supply only such water at such pressures as may be available from time to time as a result of its normal operations of its system;

NOW, THEREFORE, for and in consideration of the mutual covenants, agreements, terms and provisions herein contained, it is agreed as follows:

1. Applicant. The names, addresses and descriptions of the person or persons herein collectively referred to as "Applicant" are as follows:

Name	Address	Description
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2. Applicable Form. This agreement is entered into pursuant to the requirements and in accordance with the form of Utilities Commission (Commission). This Agreement does not, therefore, require specific authorization of the Commission to carry out its terms and conditions.

3. Applicant's Deposit. The estimated total installed cost of Total Facilities, hereinafter referred to as the "Estimated Cost," is \$ _____. Applicant has advanced to Utility an amount equal to the Estimated Cost, receipt of which amount is hereby acknowledged by Utility.

The Estimated Cost shall include any income tax component authorized by the Commission at the date of execution of this agreement.

4. Installation of Facilities. Utility agrees that it will, as soon as necessary materials and labor are available, and necessary permits, franchises, licenses or other governmental authorizations, easements and right of way satisfactory to Utility have been executed by Applicant and delivered to Utility, commence and prosecute to completion with all reasonable diligence the work of installing the Total Facilities. Utility reserves the right to make such changes in design or materials as it may deem necessary. If such change results in a 10% or greater increase in the Estimated Cost, Utility shall give written notice to Applicant of the amount of such cost increase and will demand an additional deposit to cover the increased cost. If within ten (10) days of giving such notice of cost increase, Applicant gives

Utility written notice to discontinue such work upon the Total Facilities, Utility shall discontinue the same and shall forthwith refund to Applicant the unexpended portion, if any, of Applicant's deposit. If Applicant does not give Utility written notice to discontinue such work within ten (10) days after such notice of cost increase, Utility may proceed with such work at its option. Within sixty (60) days after Utility has ascertained its actual costs of installing the Total Facilities, it will provide Applicant with a statement of the same showing in reasonable detail the costs incurred for material, labor and other direct and indirect costs, overheads and total costs, or unit costs or contract Costs, whichever are appropriate. If such actual Construction Costs shall not have been determined within one hundred twenty (120) days after completion of construction work, a preliminary determination of actual Costs shall be submitted, based upon the best available information at that time. Upon Completion of the work upon the Total Facilities, if the actual total installed cost thereof including applicable income taxes is greater or less than the total amount deposited by Applicant hereunder, the difference shall forthwith be paid by Applicant to Utility or refunded by Utility to Applicant as the case may be. It is expressly agreed that there shall be included in said actual total installed cost any sums paid for materials used in such work upon the Total Facilities by reason of price increases applicable to such materials. Subject to the provisions of this paragraph, no other refund will be made to the

Applicant, for any sums deposited or to be deposited by the Applicant with the Utility hereunder.

5. Grades. If at the Applicant's request the New Facilities are installed in easements or rights of way where final grades have not been established or in streets whose grades have not been brought to those established by public authority, Applicant, upon written notice by Utility, shall deposit with Utility forthwith the estimated cost, including applicable income taxes, as determined by Utility, of relocating, raising or lowering the New Facilities upon establishment of final grades. Adjustment of any difference between the amount so deposited and the actual cost of relocating, raising or lowering the New Facilities shall be made within thirty (30) days after Utility has ascertained such actual cost. Utility will refund the entire deposit including applicable income taxes relating to such proposed relocation, raising or lowering when appropriate authority determines that such displacements are not required.

6. Applicant's Agreements. Applicant agrees to use its best efforts to assist Utility to obtain any and all permits or other governmental authorizations which may be required for the installation of the Total Facilities. If for any reason any additional easements are required for the installation of the Total Facilities, Applicant will cause the same to be procured in the name of Utility if such is located on private property, and will cause evidence of such fact to be furnished to Utility or will cause such easements to be conveyed to Utility, as the case may be. Applicant's agreement in this paragraph 6 is in no way

limited to those easements and rights of way provided for in paragraph 4 hereof.

7. Ownership. The Total Facilities to be installed hereunder and all construction work in connection therewith shall be and remain at all times the property of Utility, and Applicant shall have no right, title or interest whatsoever in or to the same.

8. Construction Delay. Utility shall not be responsible for any delay in construction resulting from any cause beyond its control, including, without limiting the generality of the foregoing, any delay resulting from inability to obtain sufficient proper materials and supplies, labor disturbances or shortages, or weather conditions, or inability to obtain necessary permits, licenses, franchises or other governmental authorizations. In the event Utility is unable to obtain sufficient materials to meet all construction requirements necessary to provide adequate service to all its customers, it shall be entitled to allocate materials obtained by it to such construction projects as in its sole discretion it deems most important to service needs of its customers, and any delay in construction of the Facilities resulting from any such allocation of materials by Utility shall be deemed to be a cause beyond its control and it shall not be responsible for such delay.

9. Notices. Any notice which may or shall be given by either party to the other shall be deemed to have been duly given when deposited in the United States mail, registered or

certified, postage prepaid and addressed to the party to whom such notice is given at the following addresses:

To Applicant:

To Utility: San Jose Water Company
374 W. Santa Clara Street
San Jose, CA 95196

Either party, by notice, may change the address to which notice shall thereafter be addressed.

10. Nature of Obligation of Applicant. If more than one person is named in paragraph 1 hereof, the obligations of the persons executing this agreement as Applicant shall be joint and several obligations. Until Applicant shall notify Utility in writing to the contrary, all refunds hereunder shall be paid by Utility to: _____

without recourse.

11. Successors and Assigns. This agreement shall inure to the benefit of and shall bind the respective heirs, executors, administrators, successors and assigns of the parties hereto.

12. Utility's Right to Offset. In the event Applicant shall become entitled to a repayment or refund under the provisions of this Agreement, Utility shall have the right at such time to offset against the amount then due Applicant hereunder the total amount of any indebtedness then due or owing by Applicant to Utility.

13. Jurisdiction of Public Utilities Commission. This agreement shall at all times be subject to such changes or modifications by the California Public Utilities Commission as said Commission may from time to time direct in the exercise of its jurisdiction.

IN WITNESS WHEREOF, the Parties hereto have executed this agreement in duplicate the day and year first above written.

APPLICANT

SAN JOSE WATER COMPANY

By _____

By _____
Designated Signature

By _____

By _____
Designated Signature