

86-16294
SEWER HOOK-UP AGREEMENT
PHASE II

VOL 130-259

THE CITY OF BEND, an Oregon municipal corporation, hereinafter called "CITY" and JACK L. KARNES and MARSHA KARNES, hereinafter called "OWNER", agree as follows:

1. OWNER is developing property which is described as follows:

SEE EXHIBIT "A"

and which owner warrants and represents that OWNER owns. The CITY agrees to supply this property with sewer services when CITY'S sewer system is extended to the property.

2. The purpose of this agreement is to create a bonding commitment that the property will be hooked up to CITY'S sewer system so that OWNER can secure permission from the State Department of Environmental Quality permitting OWNER to use an interim sewage disposal system until such time as the CITY'S sewer system is extended to the property.

3. OWNER shall install an interim sewer system within the property according to CITY Sewer Policy, CITY Standards and Specifications and comply with any Sewer Service Agreement covering this property.

4. In addition to the installation of the interim system serving the property OWNER shall pay whatever cost not otherwise funded which is required to extend the CITY'S sewer system to the property so that the interim system within the property may be hooked up to CITY'S sewer system. This obligation may be performed by OWNER'S participation in a local improvement district, or the like, if that method of financing the extension is selected by the City. OWNER agrees to consent to do whatever is necessary to form such a district.

5. The property covered by this agreement shall be hooked up to CITY'S sewer system.

6. When the interim sewer system is hooked up to CITY'S system OWNER shall pay whatever connection charge is required by CITY policy at the time of hook-up; and will pay whatever standard user charge is required at that time.

7. OWNER agrees to grant CITY easements for the construction, installation and maintenance of sewer lines through OWNER'S property (described above). These easements shall only be used by CITY in connection with CITY'S sewerage system and to the extent practicable shall be located within public ways and other utility easements within OWNER'S property.

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8. Owner hereby consents to the annexation of the property described in this agreement to the CITY and the property shall be annexed when the CITY elects to do so according to law.

9. The parties agree that this agreement shall constitute a covenant running with the land and be fully enforceable by the CITY with respect to the property described herein, whether that property is owned by OWNER or by persons who have acquired the land from the OWNER or OWNER'S assigns. CITY has also obtained a separate Consent to Annexation Agreement with OWNER, which will be on file at City Hall.

DATED this 1 day of August, 19 86.

CITY

By: [Signature]

OWNER

By: [Signature]
JACK L. KARNES

By: [Signature]
MARSHA KARNES

STATE OF OREGON)
)ss
County of Deschutes)

August 1, 19 86.

Personally appeared the above named Jack Karnes & Marsha Karnes
and acknowledged the foregoing instrument
to be (his/her/their) voluntary act. Before me:

[Signature]
Notary Public for Oregon

My Commission expires: 5-22-88

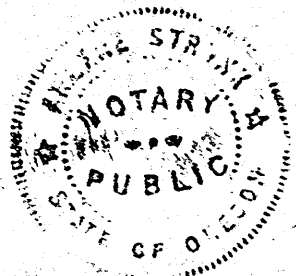


EXHIBIT "A"

That portion of the Southwest Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$) of Section Thirty-four (34), Township Seventeen (17) South, Range Twelve (12) East of the Willamette Meridian, Deschutes County, Oregon, more particularly described as follows:

Starting at the Southeast corner of the Southwest Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$) of Section 34, Township 17 South, Range 12 East of the Willamette Meridian, Deschutes County, Oregon; thence West a distance of 300 feet along the South boundary of said Section 34 to the true point of beginning; thence North parallel to the West boundary line of said Section 34 a distance of 660 feet; thence West parallel to the South boundary line of said Section 34, a distance of 330 feet; thence South parallel to the West boundary line of said Section 34 a distance of 660 feet; thence East along the South boundary line of said Section 34 to the point of beginning. - - -

STATE OF OREGON)
COUNTY OF DESCHUTES) SS.

I, MARY SUE PENHOLLOW, COUNTY CLERK AND RECORDER OF DEEDS, IN AND FOR SAID COUNTY, DO HEREBY CERTIFY THAT THE WITHIN INSTRUMENT WAS RECORDED THIS DAY:

1986 AUG 21 PM 3:47

MARY SUE PENHOLLOW
COUNTY CLERK

BY: P. Rich DEPUTY

NO. 86-16294 FEE 13

DESCHUTES COUNTY OFFICIAL RECORDS