Subject: Sewage Spills and Allocation of Costs

Purpose: To Establish a Procedure for Emergency Response for Sewage Spills and Allocation of Costs for Clean-Up and/or Fines Resulting from Spills

WHEREAS, the Mutual Corporations (Mutuals) of Rossmoor, the Golden Rain Foundation (GRF), and the Central Contra Costa Sanitary District (CCCSD) have entered into an Agreement, effective March 14, 1995, for CCCSD's acceptance of designated public portions of the sanitary sewer system serving the Rossmoor community; and

WHEREAS, the Agreement contemplates that the acceptance of sewer lines by CCCSD will be phased over a period of up to, and possibly longer than, ten years, exposing GRF and some Mutuals to sewer system related maintenance and liability costs for longer periods of time than other Mutuals; and

WHEREAS, the Agreement requires CCCSD to respond to and take certain remedial actions when sewage spills or other emergency events occur involving the designated public portions of the sewer system prior to and after CCCSD acceptance; and

WHEREAS, the Agreement identifies certain private sewer systems which will not be accepted by CCCSD and which will remain the responsibility of the Mutuals or GRF; and

WHEREAS, the parties to the Agreement recognize that an emergency event involving public portions of the Rossmoor sewer system may result in clean-up costs and/or fines imposed by governmental agencies, and that these costs may be mitigated by implementation of an effective sewer system maintenance program and sewer spill emergency response plan; and

WHEREAS, the Mutuals and GRF desire to jointly participate in such a sewer system maintenance program and emergency response plan, which includes a plan for allocation of maintenance, clean-up and fines costs associated with the public portions of the sewer system;

NOW, THEREFORE, BE IT RESOLVED:

1. GRF hereby approves and adopts the sewer system maintenance procedures and emergency response plan as outlined in the manual entitled Sewer System Maintenance Manual, dated June 1996, as a protocol to be followed for maintenance of public and private sewers on GRF property and when an emergency event occurs involving any private or public sewer within Rossmoor.
2. GRF agrees that, except as set forth in paragraph 3 below, the costs and fines resulting from an emergency event, to the extent they can be legally reimbursed, shall be allocated on a pro rata unit basis among all manors/units within the Rossmoor development.

3. All costs and fines resulting from an emergency event involving a purely private sewer system that is not designated for transfer to CCCSD shall be the responsibility of the owner of the property served by the portion of the private system that experienced the emergency event.

4. GRF has formed an Emergency Response Team (ERT) comprised of employees of GRF, to serve as a first response to sewage spills on GRF owned property. As a convenience to the Mutuals, GRF shall direct the ERT to perform first response activities for Mutuals, provided GRF shall not be liable for loss, liability, claims, fines, penalties or damages arising from ERT=s response or failure to respond to a sewage spill or other emergency event on property of such Mutual and, provided the Mutual shall hold GRF harmless and indemnify GRF from and against any claims, including attorney=s fees and costs.

5. It shall be the responsibility of the Director, Mutual Operations Division, to implement this resolution in accordance with the provisions of the Sewer System Maintenance Manual.

Authority: Procedure

10/31/96