

High Knob Owners' Association, Inc.

16 Windy Way
Front Royal, VA 22630
Telephone: (540)635-6086
Email- hkoffice@earthlink.net
Website <http://www.hkoai.org>

OWNER/CONTRACTORS WORKING AGREEMENT FOR CONSTRUCTION ON HIGH KNOB

CONSTRUCTION REQUIREMENTS

(For replacements, additions or new construction)

March 21, 2011

CONTRACTORS WORKING AGREEMENT FOR CONSTRUCTION ON HIGH KNOB

This agreement defines minimum requirements for all activities of the property owner, contractor and subcontractors working on the High Knob development for any and all work at the location noted in this agreement. The property owner signing this agreement is responsible for insuring all contractors/subcontractors adhere to terms of this agreement. The covenants provide for penalties under certain conditions. The bond/deposit is required to ensure compliance with the stipulations of this agreement. For contractors building multiple houses, we may waive the bond in lieu of compliance. If there are violations of the covenants stated in this agreement or damages then a bond will be assessed on the subsequent application in addition to cost of damages. High Knob reserves the right to recoup all legal fees incurred to redress any violations of this agreement. Recovery of damages in excess of those covered by the bond may also be assessed. Violations of this agreement may result in a "Stop Work" order until corrective action is taken.

House and site plans must be submitted to the **High Knob Owners' Assoc. Inc. (HKOAI) or High Knob Associates if purchased from HKA** for review. All covenants are not the same, a certified copy of the covenants for any and all lots that are related to the building site(s) must be provided to **HKOAI**. Prior to commencing any lot clearing, excavation or construction, a performance bond, road impact and water capital improvement fees, must be paid to **HKOAI**. The water access tap fee must also be paid prior to connection. These are in addition to the annual **HKOAI** sanitary district tax.

All of the pertinent requirements on the Check List will be dated and initialed by the Business Manager, or other designee approved by the **HKOAI** Board of Directors, when each item has been satisfied. The Business Manager will provide **HKOAI** and the property owner with a copy of the completed document.

Building Types: The community wishes to discourage the placement of similar style houses adjacent to or in close proximity to one another. It is desirable that the exterior finishes of all houses shall be of a natural or earth tone color. You should be particularly cognizant of the fire danger related to the use of roofing materials that are not fire retardant.

The exterior of the house must be completed within 180 days. This includes all masonry work, installation of exterior doors and windows, completion of all steps, landings and decks, as well as staining and painting. Additionally, removal of construction debris, trash, and backfilling must be completed within the same time period. Extensions may be granted under extenuating circumstances.

Each signed Agreement covers only the plans submitted. After the project has been approved, any new construction or architectural changes, such as adding a deck or rooms, require that a new plan must be submitted to the ARC for approval prior to commencing construction.

Sanitary Provisions - Portable toilet facilities must be provided at the worksite during the entire construction project until the household toilet(s) are installed and functional.

****Site Clearing** - Prior to clearing the property for construction, the owner must meet with a representative of the **ARC** to identify those trees to be removed. They will jointly develop a site plan that must be followed. The site plan must include an engineering study to establish the methodology to control surface water runoff from the building site both during and after completion of the proposed house. We have been advised the cost of this study would probably not exceed \$200. As stated in the covenants, no trees exceeding 5 inches in diameter, one foot above the ground, will be removed except as required for construction of the house, driveway or septic field. Failure to comply with this requirement may result in a penalty of up to \$500 for each tree removed. No vegetation or trees shall be removed from the road right-of-way except as required for the construction of a driveway and/or installation of utility lines. The road right-of-way is 25 feet either side of the platted road centerline. (It should be noted that the right-of-way centerline is not necessarily 25 feet from the center of the existing driving surface.) The surveyor's stakes typically are placed at the edge of the road right-of-way.

A barrier will be constructed to prevent debris, water and mud from running from the work site onto any adjoining property and/or the High Knob road right-of-way. Any access to the building site will be properly treated (with gravel, paving or other suitable means) within one working day of disturbance to preclude transferring mud and/or debris on to the High Knob roads. All access ways to a building site from the High Knob roadway must have a culvert placed along the roadway to provide adequate drainage. The culvert, with a minimum diameter of 15 inches, shall be placed at a least two feet back from the existing ditch line. Contact the Business Manager for the specific location. Any deviation from this requirement must be specifically approved, in writing, and signed by a member of the **ARC**, the **Board of Directors**, or their authorized designee.

Any blasting or dynamiting that may be required for site preparation must conform to all state and local regulations. Notwithstanding these requirements, four working days notice must be given to HKOAI prior to any blasting (dynamiting) and appropriate signs must be posted on the road, each side of the building site, for at least 48 hours prior to any blasting. You must provide copies of all required permits and documentation showing the number and type of charges to be used. Documents certifying the expertise and insurance coverage must also be provided.

Open burning of any kind is prohibited by the covenants and/or resolutions passed by the HKOAI Board of Directors. Materials burned in trash barrels, even when covered by a screen/spark arrestor, are considered open burning and are specifically prohibited. All tobacco products must be fully extinguished before discarding.

All materials not consumed at the work site, including scrap wood, unused paint and finishes, containers, trees, limbs and stumps, and other debris, must be removed from the High Knob development for disposal. *No material may be buried at any on-site location. It should be noted that State law prohibits burying these materials on the property.* It is the policy of the **Board of Directors** to immediately notify Warren County of any instances of debris burial.

Roads – Track and lug type vehicles, or other road damaging transportation means, may not be operated or utilized on any paved road within the High Knob subdivision.

No vehicles and or construction material can be parked or stored on the roadway. Vehicles that cannot be reasonably parked on the work site may be temporarily parked on the road right-of-way during normal working hours; however, there must be sufficient clearance to allow normal passage of all vehicular traffic, including emergency vehicles. Temporary exceptions are permitted, if no reasonable alternative exists. Any vehicle temporarily blocking the roadway must be attended by an approved driver and moved within five minutes of arrival of any vehicle requiring passage. Emergency vehicles requiring passage must be given immediate priority.

All material, including scrap, waste, trash, limbs, stumps and trees must be properly secured to prevent falling or spilling from any vehicle onto the High Knob common property. All material falling from any vehicle must be removed immediately and disposed of in an approved manner.

Gates - HKOAI maintains secure access gates to the development. These gates operate either by a remote transmitter or a keypad code.

It is the responsibility of the property owner to ensure that all construction contractors, subcontractors, and their agents, comply with this agreement and the covenants, state and local ordinances and the mandates of **HKOAI**.

Decisions by the **ARC** are subject to review by the **HKOAI Board of Directors**. All decisions by the **Board** shall be final.

Questions concerning the architectural review process and requirements outlined above should be referred to the **HKOAI** office at 635-6086.

There have been several revisions to the covenants since the beginning of the High Knob development. State law and County ordinances are also subject to change. Approval by HKOAI of the above stipulations does not relieve property owners and contractors of the responsibility to fully comply with the individual covenants, pertinent State law and County ordinances.

I have read, understand, and agree to comply with these requirements:

_____ Date ____/____/____
Property Owner Signature Print Name

Location of Work Site: Block _____ Lot _____

For HKOAI _____; Title _____

Date ____/____/____

PERFORMANCE BOND

Bonds/Deposit - A performance bond of \$2500, payable to **HKOAI**, must be provided at the time of application for building site plan approval. The performance bond covers all aspects of construction on High Knob including the building site, drainage, unusual road damage, ditching, driveway, culvert damage, etc. It is in addition to the road construction impact fee which only covers the usual wear and tear (ordinary maintenance) to High Knob roads caused by the use of additional vehicles including heavy vehicles used for construction purposes.

Materials (stone, lumber, etc.) blocking the roads will be removed by High Knob and the cost of doing so will be deducted from the bond. Track vehicles used on High Knob roads without the use of street pads will be cause for an automatic minimum deduction of \$500.00 from your bond for each incident. Construction sites above Massanutten Mountain Road must use the service entrance, failure to do so will result in an automatic deduction from the bond of \$150.00.

High Knob Owners' Association, Inc., since it owns the roads and adjacent right of ways, has the right to recover damages to its property caused by carelessness, negligence and extraordinary wear and tear due to adverse circumstances. If there is a dispute between High Knob Owners' Association, Inc. and the contractor / signer of this agreement as to the extent of damage which results in a legal case, then the contractor / signer is liable for all legal and court costs.

High Knob Owners' Association, Inc. hereby puts in notice that all owners' and their designee's are responsible to follow Article X section 3 of the current High Knob Owners' Association, Inc. By- Laws. A copy is attached for your information.

The bond money will be released upon completion of the project, satisfaction of all portions of this agreement and issuance of a Certificate of Occupancy by the Warren County Building Department. The release of the bond must be requested in writing within 30 days after the Certificate of Occupancy is issued. Interest is not paid on the bond. Consideration for rollover and multiple performance bond requirements are at the discretion of the **HKOAI Board of Directors**.

In the event the property owner/contractor fails to correct any violations or correction is not practical, the **High Knob Owners' Assoc., Inc.** may retain the full amount of the bond, and at its discretion seek additional financial damages.

Please consult your individual covenants for your lot. The covenants may include a requirement for the builders/contractors to provide liability insurance.

I, _____ (Property Owner), hereby tender to **High Knob Owners Association, Inc.** a performance bond in the amount of \$2500.00 for the construction planned on Lot_____, Block_____ Road_____.

Property Owner_____

Date ___/___/___

Print Name_____

HKOAI _____

Date ___/___/___



High Knob Utilities, Inc.

17 Windy Way ♦ Front Royal VA 22630 ♦ 540-635-6131

Fax: (540) 635-6635 ♦ E-mail: hkoffice@hkoai.org

Website: <http://www.hkui.org>

Builder's Water Agreement

To: Department of Building Inspections
Warren County, Virginia

From: High Knob Utilities, Incorporated

Subject: Water Agreement

Date: _____

By and between High Knob Utilities Inc. and _____.

By signing this agreement, the Builder agrees to advise the person(s) who buy the lot (improved or unimproved) of the details surrounding the High Knob water system. Additionally the builder agrees to provide the buyer a copy of the HKOAI information packet, which contains additional water system information. Further, the builder agrees to inform the buyer (owner) that the buyer must apply for a water service account no later than the date of settlement.

By signing this agreement, High Knob Utilities, Incorporated (HKUI) agrees to provide water service to Lot(s), _____ Block _____ located on _____
_____ at such time as it is requested.

(Street)

By signing this agreement, the Builder becomes the customer of record for this account until such time as HKUI receives and approves an application to transfer the water service account to a new owner, and that the Builder agrees to adhere to and abide by all HKUI policies and regulations. These policies and regulations are available online at <http://www.hkui.org> or by request from the HKUI office.

The details of the water system are as follows:

Water Provider: High Knob Utilities Inc, a wholly owned subsidiary of High Knob Owners' Association Inc (HKOAI), is the water provider for High Knob. HKUI is a state regulated public utility company with a prescribed service area-limited to the High Knob Subdivision.

Water System Operator: Telephone (540) 635-6131 for emergencies, to report problems, or for billing questions.

Water Rates: The minimum charge per quarter is \$85.00. In addition, usage is billed at \$0.00690 per gallon for 1-13,500 gallons, at \$0.0084 per gallon for 13,501-20,000 gallons, and at \$.0105 per gallon for 20,001 gallons and over. All service connections are \$1800.00. Rates have been approved by Virginia State Corporation Commission.

Sources of Water: Four wells and five springs. All water is chlorinated and tested regularly.

Water Distribution System: Sixteen miles of pipes, multiple storage reservoirs, various pumps and meters. The system was started in 1951 and has been periodically expanded to keep pace with development.

Water System Condition: During 2005, a significant system upgrade was completed, based on the recommendations of a 2001 engineering study. These upgrades were reviewed and approved by the VDH. Storage capacity has been significantly increased, nearly seven miles of water mains were replaced, system equipment is now under wireless computer control and monitoring, backup power is available at critical facilities, and overall system reliability has been greatly enhanced. Other improvements are ongoing.

Rainfall Variations: In rare instances, drought conditions may temporarily decrease water production. In these instances, HKUI may impose water restrictions as necessary to provide basic water service to all customers. During these periods of restricted use, residents may be required to limit water use or to refrain from water-intensive uses such as lawn watering, car washing, and filling swimming pools.

Funding for Capitol Improvements: At the time of new construction; builders and/or owners will be assessed a \$2,500.00 fee for Capital Improvements. This fee must be paid prior to the issuance of a building permit.

Builder (Sign)

(Print)

Date

HKUI (Sign)

(Print)

Date



High Knob Utilities, Inc.

17 Windy Way ♦ Front Royal VA 22630 ♦ 540-635-6131

Fax: (540) 635-6635 ♦ E-mail: hkoffice@hkoai.org

Website: <http://www.hkoai.org>

Date _____

Warren County Health Department
134 Peyton Street
Front Royal, VA 22630

Dear Health Department Representative,

This letter serves to notify you that the following property has access to, and permission to connect to, the Department of Health-approved central water system under the name of:

High Knob Utilities, Inc.

Water System ID# 2187522

Property Tax Map:

Subdivision Name: High Knob

Section/Block: _____

Lot Number(s): _____

If you have any questions, please contact HKUI at (540) 635-6131.

Sincerely,

For HKUI (Sign)

(Print)

Title