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MUTUAL GENERAL RELEASE AND SETTLEMENT AGREEMENT

This instrument is executed this _____ day of _____, 1990 by and among the BOROUGH OF COLUMBIA, Columbia, Pennsylvania 17512 (herein referred to as "The Borough"), THE BOROUGH OF COLUMBIA MUNICIPAL AUTHORITY, Columbia, Pennsylvania 17512 (herein referred to as "The Authority"), WARD INVESTMENTS, INC., 490 East Market Street, York, Pennsylvania 17401 (herein referred to as "Developer") and BARRY R. RAUHAUSER, York, Pennsylvania (herein referred to as "Rauhauser").

BACKGROUND OF THIS RELEASE AGREEMENT

Rauhauser is the owner and Ward Investments, Inc. is the developer of a development (herein referred to as "Hilmar Estates") located in the Borough of Columbia, Lancaster County, Pennsylvania known as Hilmar Estates, which development is more fully drawn and described in a Subdivision Plan recorded in the Lancaster County Recorder of Deeds Office in Subdivision Plan Book J-170-66. On the said subdivision Plan, the property owner is referred to as Mildred F. Johnson. By Deed dated May 22, 1986 and recorded in the Lancaster County Recorder of Deeds Office in Deed Book X, Volume 94, Page 54, the said Mildred F. Johnson did grant and convey all of her right, title and interest in the development to Barry R. Rauhauser. In order to secure the Developer's obligation for the completion of certain municipal improvements, the Developer posted with the Borough a municipal improvement guaranty in the

form of a Letter of Credit issued by the York Federal Savings and Loan Association, York, Pennsylvania, being Irrevocable Letter of Credit No. 1985-401, which was issued in the original amount of \$247,437.00, and which now has been reduced to the amount of \$177,690.00. The improvement guaranty was posted for completion of the improvements required as part of the subdivision and land development approval process by the Lancaster County Planning Commission, The Borough and The Authority. The required municipal improvements (herein referred to as the "Municipal Improvements") are more fully described in the notice of acceptance of an improvement guaranty dated May 23, 1986 which is attached hereto and fully incorporated herein by reference as Exhibit "A". For purposes of this Agreement, the term "Municipal Improvements" shall therefore consist of the following:

- A. Street Grading/Excavation for Streets.
- B. Street Base.
- C. Street Paving.
- D. Street Signs.
- E. Curbs.
- F. Sidewalks.
- G. Storm Sewer Facilities, Swales and Rip Rap.
- H. Sanitary Sewer Facilities.
- I. Other: Pipe Spring, Clear Grub and Pile on Site,
Install Silt Fence.

A disagreement has arisen concerning the remaining work to be done by the Developer in order to complete the Developer's obligations pursuant to the terms of the acceptance of the improvement guaranty and the approval of the subdivision and land development plan for Hilmar Estates. The parties have agreed to settle the disagreement by the payment of \$100,000.00 by the Developer and Rauhauser to The Borough in exchange for a release of the Developer from any further responsibility or obligation for installation or repair of the Municipal Improvements in Hilmar Estates. Further, the parties have agreed to a release of The Borough and The Authority by the Developer and Rauhauser for any claims which they may have against The Borough and The Authority arising out of the disagreement concerning completion of the Municipal Improvements. Upon the signing of this Agreement and the payment of the \$100,000.00 to The Borough, The Borough and The Authority shall have the sole responsibility for the completion, maintenance and repair of the Municipal Improvements. The costs incurred by The Borough and The Authority shall be divided between them as they may agree. The parties desire to place their agreement into writing with the understanding and intention that this shall constitute a complete general release of all claims which either The Borough and The Authority have against the Developer and Rauhauser, or which the Developer and Rauhauser have against The Borough and The Authority arising out of the required installation of the Municipal Improvements as set forth on Exhibit "A".

NOW, THEREFORE, with the intent to be legally bound, and in consideration of the payment of \$100,000.00 by the Developer to The Borough and The Authority, the receipt of which is hereby acknowledged, and in further consideration of the warranties and representations and mutual promises set forth herein, the parties hereto agree as follows:

1. The Borough and The Authority, in behalf of themselves, their successors and assigns, do hereby release and discharge the Developer and Rauhauser and their successors, administrators, heirs, executors and assigns from all claims or actions which The Borough and The Authority has, may have or have in the future against the Developer and Rauhauser as a result of the requirement for the proper installation of the Municipal Improvements and they fully and forever discharge the said Developer and Rauhauser from any further obligation for any additional obligation to perform any additional work for the proper installation of the Municipal Improvements.

2. Developer and Rauhauser, for themselves and their respective successors, heirs, executors, administrators, and assigns, do hereby fully release and discharge The Borough and The Authority from any and all rights, claims and actions which they have, may have now or in the future against The Borough or The Authority, together with their successors, employees, agents, managers, municipal officials or assigns for any action of The Borough or The Authority in any manner relating to

the actions of the said Borough and Authority in any manner relating to the proper installation of the Municipal Improvements.

3. This Mutual General Release and Settlement Agreement is intended to be a full settlement of any dispute, claim or cause of action which any party to this Agreement may have against the other of any nature concerning any actions or lack thereof arising from the requirements for the installation of Municipal Improvements in Hilmar Estates, whether such claims are currently known, unknown, foreseen or unforeseen, it being the intention of the parties hereto to completely release all claims in consideration for the payment of \$100,000.00 from the Developer to The Borough and the Sewer Authority as set forth above.

4. This Release shall extend only to the development of Hilmar Estates as it relates to the required Municipal Improvements as set forth in the approvals given to the Developer by the Lancaster County Planning Commission, The Borough and The Authority as set forth on Exhibit "A".

5. This Mutual General Release and Settlement Agreement does not release the Developer and Rauhauser from any obligations which they may have under the rules and regulations of the Lancaster County Planning Commission or under Pennsylvania law as an owner and developer of land other than as those obligations relate to the proper installation and completion of the Municipal Improvements. The parties understand and agree that they do not

and cannot release one another from any third party suits or actions which may otherwise relate to the development of Hilmar Estates unrelated to the proper installation and completion of the Municipal Improvements. Further, this Mutual General Release and Settlement Agreement shall not extend to the pending matter between The Borough and Rauhauser relating to the Harlan F. Haake tract at South Union Street between Fifth and Eighth Streets in the Borough of Columbia, being Lancaster County Court of Common Pleas case number 3186-1990.

6. Upon signing of this Agreement, Developer and Rauhauser agree to sign a Deed of dedication, and The Borough agrees to accept immediately such dedication and to accept all streets and other Municipal Improvements within Hilmar Estates. Thereafter, The Borough and The Authority shall have the sole responsibility for any remaining installation and completion of the Municipal Improvements, and they shall thereafter have the sole responsibility for the ongoing completion, maintenance and repair of the said Municipal Improvements.

7. Developer and Rauhauser warrant and represent to The Borough and The Authority that there are no litigation claims, filed, pending or threatened nor other administrative actions brought against the Developer or Rauhauser by any third persons or governmental bodies relating to the Hilmar Estates Development. Developer and Rauhauser further warrant and represent to The Borough and The Authority that all contractors

and subcontractors who have performed work in Hilmar Estates have been paid in full and that there are no pending or threatened claims by any contractors or subcontractors for any work performed within the Hilmar Estates Development.

8. The Borough and the Authority shall be under no obligation to account to Developer and Rauhauser for the expenditure of the funds paid in settlement as part of the consideration of this Agreement.

9. The parties hereto agree to sign any and all documents necessary or required to carry out the terms and conditions of this Mutual General Release and Settlement Agreement.

10. This Agreement is executed by the authorized representatives of the Borough of Columbia pursuant to a Resolution of the Borough Council duly enacted at a public meeting held on the 27th day of September, 1990.

11. This Agreement is executed by the authorized representatives of The Borough of Columbia Municipal Authority pursuant to a Resolution of The Authority duly enacted at a public meeting held on the 27th day of September, 1990.

12. This Agreement is executed by the authorized representatives of Ward Investments, Inc. with the warranty and representation to the Borough and the Authority that they are fully authorized to act in behalf of the developer corporation, and further with a warranty and representation that there are no other persons or entities of any legal or equitable

right, title and interest in and to the said Hilmar Estates other than the Developer and Rauhauser.

IN WITNESS WHEREOF AND INTENDING TO BE LEGALLY BOUND, the parties hereto have set their hands and seals the date and year first written above.

BOROUGH OF COLUMBIA

ATTEST:

BY: Sylvester F. Devina
COUNCIL PRESIDENT

BOROUGH OF COLUMBIA MUNICIPAL
AUTHORITY

ATTEST:

Theodore M. Fuller
AUTHORITY SECT.

BY: Bresman H. Shultz Jr
AUTHORITY PRESIDENT

WARD INVESTMENTS, INC.

ATTEST:

BY: _____

BARRY R. RAUHAUSER