

**Princeville Community Association's
Community Design Committee [CDC]**

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**CDC-11 CONSTRUCTION AND COMPLIANCE DEPOSIT CONDITIONS,
ACKNOWLEDGEMENT AND AGREEMENT FORM**

The entire review process is aimed at enhancing and preserving values in Princeville. One step towards this aim, is by ensuring that construction is completed within the fifteen (15) months or allotted time period as reviewed and approved by the CDC based on scope of work. A **Construction and Compliance Deposit**, herein called "deposit" is required for all construction in order to ensure completion of construction projects in a timely manner and according to approved plans.

The Owner has submitted plans and required materials for a proposed single-family residence or improvements of property in Princeville for review by the CDC. In order to achieve approval of such plans and materials by the CDC, as provided in the Princeville at Hanalei Community Association [PHCA] Declaration of Restrictions, Covenants and Conditions, the Owner undertakes and agrees to the following:

CONDITIONS AND AGREEMENT OF DEPOSIT

- A. In the event of approval by the CDC of the Owner's plans and proposals for a residence or improvements at Unit_____, Inc_____, Lot_____ of Princeville at Hanalei in Kaua'i County, Owner agrees to conform to and perform the provisions hereinafter in this agreement as set forth.
- B. Owner agrees that construction of the residence or improvements to the property shall be made strictly in accordance with approved plans and terms by the CDC and to notify the CDC prior to making any changes and/or revisions which will in any way alter the exterior appearance of the building, landscape or any other structure on the property, and will not proceed with any such change without the written approval by the CDC.
- C. Owner recognizes that the CDC and/or PHCA shall be entitled to inspect the site at reasonable times to ensure construction is in conformance with approved plans and proposals. Representatives of the CDC and/or PHCA shall be given access to the site for such purposes.
- D. The deposit applies to all construction overseen by the CDC, which includes new construction, exterior remodeling, additions, rebuilding and incidental construction. It will be collected at the time of Preliminary Plan Review submittal.
- E. The deposit will be in addition to the Plan Review Fee charged for the particular type of construction to be done. Please see Fee Schedule CDC-2 and Fee Rules CDC-12.

- F. The amount of the deposit will be as follows:
- i. Home construction or rebuilding.....\$5,000.00
 - ii. Additions and incidental construction.....\$2,000.00
- G. The deposit will be held in a federally insured account with all interest accrued going directly to the Princeville Community Association.
- H. Should there be extenuating circumstances, such as a natural disaster, preventing an Owner from completing work within the allotted time period, the CDC will use its discretion in extending the time period.
- I. The deposit shall be held in trust and returned to the Owner at project completion when it is determined by the CDC that:
- ☒ The CDC is in receipt of the written three-year warranty from a certified termite control company against subterranean termite infestation.
 - ☒ Any and all damage to the roadways, PHCA common areas, adjoining lots or other private property have been repaired in a satisfactory manner as deemed by the CDC.
 - ☒ The project is completed and in full compliance with the Protective Covenants, the CDC Rules and the granted Final Approval, and requires no changes, corrections or modifications of any type.
 - ☒ No offenses have occurred that necessitate monies to be withheld from the Construction and Compliance Deposit, including penalty fees incurred for violations or deducted fees for failure to comply with construction regulations.
- J. The Princeville Community Association [PHCA] may use the deposit for:
- ☒ Clean-up of debris, trash, mud, etc., on the site, adjoining properties or the roadways left or caused by the Owner and/or agents.
 - ☒ The installation of dumpster and/or toilet on the job site.
 - ☒ Repair or replacement of damaged PHCA common areas or private property caused by the Owner and/or agents if these are not completed in a timely and satisfactory manner as determined by the PHCA and/or CDC.
 - ☒ Correction, or to facilitate the correction of, any portion of the project that is not completed in accordance with the final plans approved by the CDC.
- K. The following, but not limited to, items will result in \$75.00 per day, per offense being withheld from the Owner's Construction and Compliance Deposit. (For further information, please refer to the CDC Rules and the PHCA Protective Covenants.)
- ☒ Failure to install dust fences prior to the start of any work.
 - ☒ Failure to keep securely covered soil mounds on the job site.
 - ☒ Failure to maintain and keep watered down any area of loose or unplanted soil that creates a dust nuisance.
 - ☒ Failure to clean up the roadway of mud, dirt or debris daily.
 - ☒ Failure to have a portable toilet on the job site.
 - ☒ Failure to maintain the job site in a neat and orderly fashion, and to make certain trash and debris does not accumulate or litter the site. Any and all trash at the job site must be properly disposed of a minimum of twice a week, or as deemed necessary by the CDC.

- ✍ Failure to park on the job site, and/or job site road shoulder. Parking on a vacant lot without written permission of that lot's Owner.
- ✍ Failure to comply with the noise nuisance regulations.

L. The Owner shall be liable to the Princeville Community Association for the full amount of costs incurred with regards to the aforementioned in the event that the PHCA's expenses exceed the deposit amount as applicable.

M. The Owner is responsible for ensuring that all construction personnel are made aware of the CDC Rules and the PHCA Protective Covenants in regards to construction rules and regulations and do hereby comply with same.

FINAL INSPECTION AND REFUND OF DEPOSIT

When construction and landscaping are completed per the CDC approved plans, the Owner must contact the Administrator and/or Assistant and request a Final Inspection. It is the Owner's responsibility to submit to the CDC a copy of a 3-year written warranty by a licensed termite control company against subterranean termite infestation prior to Final Inspection.

It is the Owner's responsibility to schedule the Final Inspection early enough to allow for the possibility that the inspection will identify areas that need to be corrected or completed. Any additional work and the repeat Final Inspection must be completed within the fifteen (15) months or allotted time period set by the CDC based on the scope of work. Failure by the Owner to notify the CDC in time to inspect and complete any additional work could result in the loss of the deposit.

If the Final Inspection confirms that construction and landscaping are completed according to approved plans and within the allotted time period, and if the CDC has received the required termite warranty (if applicable), the CDC will authorize the refund of the deposit (minus any violation fees) by the Association to the Owner.

FORFEITURE OF DEPOSIT

The Owner agrees that the forfeiture of the Construction and Compliance Deposit is in addition to, and in no way limits, the powers and remedies granted by the Covenants of the Association to enforce the terms of the Covenants and the Community Design Committee Rules, including liens, litigation and other action deemed necessary.

This agreement shall be binding upon and inure to the benefits of the parties hereto and upon and to their successors and assigns.

I have received and reviewed this Agreement and do hereby agree to its terms and conditions.

Owner(s)

Date