

**THREE LAKES WATER ASSOCIATION
Snohomish County, Washington**

DEVELOPER EXTENSION AGREEMENT

DEA# 19-01

The undersigned, as the Property Owner, hereby makes application to the Association for permission to construct and connect an extension to the Association's existing water system as herein provided. If this application is accepted, the undersigned, in consideration of the mutual promises and covenants herein contained, agrees to the terms and conditions of this Developer Extension Agreement, the Association's conditions of approval for service, and as follows:

1. LOCATION OF WATER SYSTEM EXTENSION

The proposed water system extension (the "extension") will be installed in streets and other approved rights-of-way and/or easements and shall be for the use and benefit of the real property hereinafter described, which real property is owned by the Property Owner. A legal description of the real property including the Tax Lot Number; a common address, if applicable; and a Parcel Number is attached hereto.

2. DESCRIPTION OF EXTENSION

The proposed extension will consist of approximately 350 lineal feet of 8 inch water pipe and appurtenances and shall be installed in accordance with this Agreement and with the Plans and Specifications provided by the Association at the cost of the Property Owner as hereinafter provided, or in accordance with such Plans as Property Owner's engineer may prepare in conformity with Association specifications and approved by the Association.

3. FEES TO BE PAID BY THE PROPERTY OWNER

All costs incurred by the Association in association with this Developer Extension shall be borne by the Property Owner.

The Property Owner shall deposit a fee (the Project Deposit) which shall be determined by the Association after review of application. The Project Deposit shall include a \$500 Administration Fee for general services provided by the Association for administration of the Developer Extension Agreement. The Design and Design Review Fee shall be the minimum payment towards all costs to be incurred by the Association including but not limited to, application review, engineering, legal, financial, inspection or other services performed by or for the Association relating to this project. The Property Owner shall be responsible for the payment of all actual

costs incurred by the Association prior to Final Acceptance by the Association. The meaning of "Final Acceptance" as used in this Agreement is set forth in Section 6 herein.

Should actual expenses exceed the minimum initial payment, the difference shall be paid by the Property Owner to the Association. If the Association determines after the project is completed and accepted that expenses were less than the minimum initial payment, then the balance of the fee shall be refunded to the Property Owner.

The minimum initial payment does not include allowance for any unusual costs incurred by the Association for property surveys, hydraulic modeling, changes in design, necessary construction inspection, project coordination, errors or omissions by the Property Owner, its Contractor or Agents, unusual negotiations, legal expenses or any other project related costs. The Association will bill the Property Owner for any unusual costs which shall be paid promptly by the Property Owner. The Association may stop work until payment is made.

The Developer Extension Fee as described above shall be paid by the Property Owner to the Association as follows:

- The Property Owner shall pay the entire Developer Extension Fee at the time the Agreement is made.
- General Facilities Charges and Membership shares shall be paid in full prior to construction of the water system extension.
- Final costs, not covered by the initial Developer Extension Fee, shall be paid before the water system extension is accepted and service is activated by the Association.

4. PREPARATION OF PLANS BY PROPERTY OWNER'S ENGINEER

The Property Owner may have his own Washington-registered professional engineer prepare plans and specifications for water mains and related appurtenances or the Property Owner may have the Association's engineer prepare said plans.

When prepared by the Property Owner's engineer, the Property Owner shall furnish three (3) copies of the proposed plans in a legible scale with a minimum horizontal scale of 1" = 50' or larger scale as appropriate for the specific project. Plans shall have contour intervals of 5 feet or less, and shall include proposed road profile sheets. Plans shall be submitted to the Association prior to the Association's ordering of engineering plan review from its engineer. Final plat map shall be furnished as soon as possible. The Property Owner shall also provide the description, location and elevation of all bench mark data available on the project site and this information, wherever possible, shall be indicated on the maps

furnished by the Property Owner. The datum used shall be the Association's and not an assumed datum.

The Association's engineer will provide review comments for the plans and the Property Owner's engineer shall amend the plans as requested. Three (3) copies of the amended plans shall then be submitted to the Association engineer for review. When the plans have been determined to meet the Association standards, a final set of reproducible plans shall be submitted to the Association for signature. These reproducible plans shall have an appropriate "Association Approval" title block as shown in the Sample Plan. The Association shall approve the plans by signature and will return the plans to the Property Owner with a request for additional plans sets, (the amount which will be determined by the extent of the project.) Upon receipt of the requested copies the Association shall submit the plans to appropriate the regulatory agencies for approval.

Should the Property Owner's development proposal including all planned improvements change from the proposal as presented in the Application for service, the Property Owner shall notify the Association of such changes. Following review of such changes and their potential impact on the existing water system and appurtenances, or proposed modifications or extension thereof, the Association reserves the right to impose additional or modified conditions for service and the extension improvements.

5. PERFORMANCE GUARANTEE

Property Owner shall furnish to the Association prior to the pre-construction conference a performance guarantee of a type and in a form as determined by the Association, in its sole discretion, in an amount equal to the Association engineer's estimated cost of the extension or contractor bid price. The performance guarantee shall require completion of all work within a period of eighteen (18) months from the date of the Agreement with the Association in accordance with the Agreement, the Plans and Specifications and other requirements of the Association. The Association in its sole discretion may also require a payment bond of a type and in a form as determined by the Association requiring the payment by the Property Owner of all persons furnishing labor and materials in connection with the work performed under the Agreement, and shall hold the Association harmless from any claims therefrom. Any payment bond required by the Association shall be provided to the Association prior to the preconstruction conference. No third person or party shall have any rights under any performance or payment guarantee the Association may require from the Property Owner and such are provided entirely for the benefit of the Association and the Property Owner and their successors in interest. The Property Owner may choose to provide an Assignment of Savings as an alternative to the performance and/or payment bond.

6. FINAL ACCEPTANCE - CONDITIONS PRECEDENT

Compliance with all terms and conditions of this Agreement, the Plans and Specifications prepared hereunder and other Association requirements shall be a condition precedent to the Association's obligation to accept the Bill of Sale to the extension improvements and to the Association's agreement to maintain and operate the extension improvements and to provide water service to the real property that is described in this Agreement.

The Association shall not be required to allow any connection to the Association's water system of any portion of the real property described in this Agreement if there are any fees or costs unpaid to the Association under this Agreement or there are other fees or charges owing the Association by the Property Owner pursuant to other Association requirements.

The Association shall not be obligated to provide water service to the real property described in this Agreement if construction by third parties of facilities to be conveyed to the Association has not been completed and title accepted by the Association.

All work and restoration, including testing, within the Snohomish County right of way must be completed to the satisfaction, as evident by written approval, of the County, prior to acceptance of the extension improvements by the Association. Any outstanding fees or charges levied by the County against the Association relative to the subject work shall be paid in full prior to acceptance of the extension improvements by the Association.

The Association will accept title to the extension improvements at such time as all work on the extension improvements has been completed, and the Association has made final inspection and given its approval to the extension improvements as having been completed in accordance with this Agreement, the Plans and Specifications and other requirements of the Association.

Such acceptance by the Association shall not relieve the Property Owner of the obligation to correct defects in labor and/or materials as herein provided and/or the obligations set forth in applicable paragraphs hereof. After acceptance of the extension improvements by the Association and the transferring of title to such extension improvements as set forth herein, the Property Owner shall furnish to the Association a maintenance bond (or use an Assignment of Savings as an alternative) which shall continue in force from the date of acceptance of said extension for a period of two years. The bond (or Assignment of Savings) shall be in a form as contained herein and shall require the Property Owner and/or the bonding company to correct the defects in labor and materials which arise in said system for a period of two years from the date of acceptance of the system and transfer of title to the Association. The maintenance bond (or Assignment of Savings) shall be in an amount equal to the following schedule:

Cost of Extension	Bond
\$0.00 - \$10,000.00	\$3,000.00
\$10,001.00 - \$25,000.00	\$5,000.00
\$25,001.00 – and higher	\$10,000.00 min or 10% of extension cost whichever is greater.

Prior to the release of such maintenance bond the Association shall be notified and inspect the extension improvements at the Property Owner's sole cost and expense to confirm that such improvements are free from defects in labor and materials.

7. PROCEDURE FOR ACCEPTANCE

An executed Bill of Sale of the extension improvements in a form approved by the Association and containing the warranties required by this Agreement shall be executed by the Property Owner and any additional owners and delivered to the Association.

8. WARRANTIES OF PROPERTY OWNER

The Bill of Sale to be provided by the Property Owner to the Association shall contain the following warranties with the Association as beneficiary:

- (a) Property Owner is the owner of the extension improvements, the same are free and clear of all encumbrances and Property Owner has good right and authority to transfer title thereto to the Association and will defend the title of the Association against the claims of all third parties claiming to own the same or claiming any interest therein or encumbrance thereon; and
- (b) The extension improvements are in proper working condition, order and repair, and are adequate and fit for the intended purpose of use as a water system and as an integral part of the water system of the Association; and
- (c) For a period of two years from the date of Final Acceptance of the extension improvements by the Association, the extension improvements and all parts thereof shall remain in proper working condition, order and repair; and Property Owner shall repair or replace, at its expense, any work or material which may prove to be defective during the period of the warranty.

In addition, Property Owner shall obtain warranties and guaranties from its contractor and/or suppliers where such warranties or guaranties are specifically required in this Agreement. When corrections of defects occurring within the warranty period are made, Property Owner shall further warrant corrected work for

one year after acceptance of the corrected work by the Association.

9. REIMBURSEMENT AGREEMENT EXECUTION AND RECORDING

Following completion of Project construction, execution and receipt of a bill of sale, maintenance bond, necessary easements and all other required documents, and payment in full of all fees and charges, and Final Acceptance of the Project extension by the Association, the parties will, if applicable, enter into a Reimbursement Agreement. The Association will record the Reimbursement Agreement with the county auditor at the Property Owner's expense.

10. EFFECT OF ACCEPTANCE

Acceptance by Association shall cause the extension improvements to be subject to the control, use and operation of the Association and all regulations and conditions of service and service charges as the Association determines to be reasonable and proper.

11. PHASED CONSTRUCTION

The extension improvements may be constructed in phases with prior Association approval as conditioned and as specifically designated in the Plans and Specifications. Acceptance may also be on a phased basis when all requirements have been met. There will be no conditional acceptance or acceptance for use and operation.

12. CORRECTION OF DEFECTS OCCURRING WITHIN WARRANTY PERIOD

The Association shall perform all emergency repairs. If damage was caused because of faulty workmanship, materials, or design, then the Association shall be reimbursed for its efforts. The Property Owner shall be responsible for any expenses incurred by the Association resulting from defects in the Property Owner's work, including actual damages, costs of materials and labor expended by the Association in making repairs and the cost of engineering, inspection and supervision by the Association or the Association's engineer. If the emergency did not relate to the workmanship, materials, or design, then the Association shall bear the costs of repair.

If the repair or maintenance is not of an emergency nature but still is the result of faulty workmanship, materials, or design, then the Association shall give the undersigned a seven (7) day written notice to repair the damage which will be repaired by the undersigned at their expense. If, after seven (7) days, the repairs are not done or efforts to rectify the situation are not agreed to, the Association shall then do the work at the expense of the undersigned.

If it is routine maintenance or repair not related to the workmanship, materials, or design of the water systems, then the Association shall perform the work at its own

expense

13. LIMITATION OF PERIOD OF ACCEPTANCE

The extension improvements shall be completed and accepted within eighteen (18) months of the date of this Agreement. If the extension is not completed and accepted within the eighteen (18) month period, then this Agreement and all of the Property Owner's rights herein shall terminate.

No extension of the time completion of the Agreement shall be allowed. In the event the Agreement terminates, the Property Owner shall be required to make a new application for extension agreement to the Association. Any such new agreement entered into between the Association and the Property Owner pursuant to a new application shall be subject to any new or amended resolutions or policies which have taken effect since the execution of the terminated agreement.

14. WARRANTY OF AUTHORITY

The Property Owner and any additional owners warrant that they are the owners of the real property described in this Agreement. Property Owner shall also upon request provide a title report to the Association establishing that the parties executing this Agreement are the owners of all the real property to be served by the extension improvements described herein.

15. RATES AND CHARGES

The real property described in this Agreement shall be subject to all rates and charges established by the Association.

16. SUBLETTING AND SUBCONTRACTING

Property Owner is fully responsible for the acts and omissions of its contractors and persons employed, directly or indirectly by its contractors, as well as the acts and omissions of persons directly or indirectly employed or retained by the Property Owner.

17. NO ASSIGNMENT WITHOUT ASSOCIATION APPROVAL

The Property Owner's rights and responsibilities arising out of this Agreement are not assignable unless Association written consent is obtained, as conditioned by the Association, prior to any proposed assignment. Written documents as required by the Association of any Association approved assignment shall be filed with the Association by the Property Owner at the time of any assignment.

18. TECHNICAL DETAILS AND SPECIFICATIONS.

Refer to Section B and Section C of the Developer Extension Manual, which are attached hereto and made a part of this agreement for design, plan preparation and construction standards, and standard details and technical specifications.

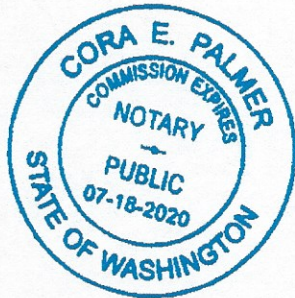
ACCEPTANCE OF THIS APPLICATION BY THE ASSOCIATION CONSTITUTES A CONTRACT WITH THE APPLICANT, THE TERMS OF WHICH ARE EACH PARAGRAPH OF THIS MANUAL, THE ASSOCIATION'S DESIGN, PLAN PREPARATION AND CONSTRUCTION STANDARDS AND STANDARD DETAILS AND TECHNICAL SPECIFICATIONS, THE EXTENSION IMPROVEMENT PLANS AND DESIGN APPROVED BY THE ASSOCIATION BOARD OF TRUSTEES AND ALL OTHER APPLICABLE ASSOCIATION REGULATIONS AND WASHINGTON LAW.

PROPERTY OWNER, Snohomish County, a local government.

By [Signature]
Its Parks, Recreation Tourism Director

STATE OF WASHINGTON)
))
COUNTY OF Snohomish)) ss:

I certify that I know or have satisfactory evidence that Tom Teigen is the person who appeared before me, and said person acknowledged that s/he signed this instrument, on oath stated that s/he was authorized to execute the instrument, and acknowledged it as the Parks, Recreation Tourism Director of Snohomish County to be the free and voluntary act of such entity for the uses and purposes mentioned in the instrument.



DATED: 8/6/19
Cora E. Palmer

NAME: Cora E. Palmer
(Print Name)

Notary Public in and for the State of Washington.
Commission Expires: 7/18/2020

THE FOREGOING APPLICATION of Snohomish County accepted
this 13th day of August, 2019.

Three Lakes Water Association

By: _____

Its: President _____



Flowing Lake County Park Water Developer Extension

PROPERTY LEGAL DESCRIPTION

Parcel Number 00597600001000

(PER STATUTORY WARRANTY DEED AUDITOR'S FILE NO. 2046052, DATED 6 AUGUST, 1968 RECORDS OF SNOHOMISH COUNTY, WASHINGTON.)

LOT 10, THREE LAKES LUMBE COMPANY PLAT NUMBER 5, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 10 OF PLATS, PAGE 115, RECORDS OF THE AUDITOR OF THE COUNTY OF SNOHOMISH, STATE OF WASHINGTON.

TOGETHER WITH (PER SUPERIOR COURT IN THE STATE OF WASHINGTON, AND FOR THE COUNTY OF SNOHOMISH NUMBER 103968, DATED 5 NOVEMBER, 1971)

A PORTION OF GOVERNMENT LOT 1, SECTION 36, TOWNSHIP 29 NORTH, RANGE 6 EAST, W.M. DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 10, THREE LAKES LUMBER COMPANY PLAT NUMBER 5, ACCORDING TO THE PLAT THEREOF AS RECORDED IN VOLUME 10 OF PLATS ON PAGE 115, RECORDS OF SNOHOMISH COUNTY, WASHINGTON, THENCE N 0°09'02" E ON THE NORTHERLY PRODUCTION OF THE WEST LINE OF SAID PLAT FOR 41.60 FEET TO THE TRUE NORTH LINE OF SAID GOVERNMENT LOT 1: THENCE S 84°55'19" W ALONG THE NORTH LINE THEREOF FOR 106.22 FEET TO THE TRUE W $\frac{1}{4}$ CORNER OF SAID SECTION 36 AS ESTABLISHED AND PERPETUATED BY A SURVEY FOR W.H. WANSER PERFORMED BY ELMER LENFEST IN JUNE 1927; THENCE S 2°44'19" W ALONG THE WEST LINE OF SAID GOVERNMENT LOT 1, BEING ALSO THE LINE BETWEEN SECTIONS 35 AND 36 AS ESTABLISHED BY SAID LENFEST SURVEY, FOR 1900 FEET MORE OR LESS TO THE SHORE LINE OF FLOWING LAKE; THENCE EASTERLY ALONG THE SAID SHORE LINE FOR 210 FEET MORE OR LESS TO THE WEST LINE OF SAID LOT 10, THREE LAKES LUMBER COMPANY PLAT NUMBER 5; THENCE N 0°09'02" E ALONG THE WEST LINE OF SAID LOT 10 FOR 1980 FEET MORE OR LESS TO THE POINT OF BEGINNING.

EXCEPT FOR THE FOLLOWING DESCRIBED TRACT OF LAND:

BEGINNING AT THE NORTHWEST CORNER OF SAID LOT 10;

THENCE N 0°09'57" E FOR 41.60 FEET;

THENCE S 84°55'19" W FOR 106.22 FEET TO THE SAID W $\frac{1}{4}$ CORNER;

THENCE S 2°44'19" W FOR 42.71 FEET;

THENCE N 84°27'12" E FOR 108.22 FEET TO THE POINT OF BEGINNING.