

WATER AGREEMENT

Party 1: RICHARDSON WATER COMPANY, a Washington Corporation
Party 2: SUN COUNTRY ESTATES MAINTENANCE ASSOCIATION, a non-profit Washington Homeowners Association

RECITALS:

1. Richardson Water Company delivers water to Sun Country Estates Maintenance Association system as authorized by Washington State Ground Water Permit No. G4-30219P.
2. Sun Country Estates Maintenance Association delivers domestic and irrigation water to lots within the Sun Country Estates manufactured home development.
3. The parties desire by this agreement to define the general terms and conditions pursuant to which Richardson Water Company provides water to Sun Country Estates Maintenance Association.

AGREEMENT

1. This Agreement shall be for a term commencing on the date of execution and terminating on December 31, 2028.
2. Sun Country Estates Maintenance Association provides irrigation and domestic service to 174 residential lots within Sun Country Estates Maintenance Association. Commencing August 1, 2018, the Sun Country Estates Maintenance Association agrees to pay Richardson Water Company a monthly fee of \$7,830.00 based on a charge of \$45.00 per lot. Commencing January 1, 2019, Sun Country Estates Maintenance Association agrees to pay Richardson Water Company \$8,700.00 based on a monthly charge of \$50.00 per lot. Commencing on June 1, 2019, Sun Country Estates Maintenance Association agrees to pay Richardson Water Company \$9,570.00 based on a monthly charge of \$55.00 per lot.
3. Commencing on January 1, 2020 and thereafter on the first day of January of each subsequent year of this agreement, the monthly charge to be paid by Sun Country Estates Maintenance Association to Richardson Water Company shall increase by two percent (2%). By way of example, on January 1, 2020, the monthly charge of \$9,761.40 based on a charge of \$56.10 per lot.

4. Richardson Water Company will supply Sun Country Estates Maintenance Association with an annual consumer confidence letter as the monthly lab reports showing the results of water quality testing.

5. Richardson Water Company shall comply with all Department of Health Rules & Regulations regarding public water systems.

6. This contract is binding on successors, assigns, etc. In the event Richardson Water Company decides to sell the water system, Richardson Water Company shall provide Sun Country Estates Maintenance Association, in writing, the specific terms and conditions on which it intends to offer the water system for sale. Sun Country Estates Maintenance Association shall have ninety (90) days from the date of receipt of the terms and conditions to notify Richardson Water Company of Sun Country Estates Maintenance Association's agreement to purchase the water system on the offered terms and conditions.

If Sun Country Estates Maintenance Association does not agree to purchase the water system as above provided, Richardson Water Company shall be free to offer the water system for sale to third-parties; provided, however, no third-party sale shall be on more favorable terms than those offered to and not accepted by Sun Country Estates Maintenance Association. The provisions of this section shall apply to any transfer of Richardson Water Company, the water system or an interest in the water system by purchase, gift, inheritance or otherwise to a lineal descendant of Dennis T. Richardson, Sr.

7. This Agreement and the parties' obligations pursuant to it are subject to the determination by the Washington State Utilities & Transportation Commission ("WUTC") Richardson Water Company is not subject to WUTC regulation. If the WUTC determines Richardson Water Company is subject to regulation, this Agreement shall be modified to be consistent with WUTC regulatory requirements and shall include the cost of complying with WUTC regulations.

RICHARDSON WATER COMPANY:

DENNIS T. RICHARDSON, SR., President

I CERTIFY that I know or have satisfactory evidence that DENNIS T. RICHARDSON, SR. signed this instrument and acknowledged it to be his free and voluntary act and deed for the uses and purposes mentioned in the instrument.

DATED: August _____, 2018

NOTARY PUBLIC in and for the
State of Washington
Residing at _____
My commission expires _____

