PROJECT AGREEMENT GRADE CROSSING PROTECTIVE FUND

Docket #: TR-060107

Commission Approval Date: April 28, 2008

A. PARTIES OF THE AGREEMENT

This project grant agreement (agreement) is entered into between the Washington Utilities and Transportation Commission (UTC), P.O. Box 47250, Olympia, Washington 98504-7250 and the City of Sultan (grantee), PO Box 1199, Sultan, Washington 98294, and shall be binding upon the agents and all persons acting by or through the parties.

B. PURPOSE OF AGREEMENT

This agreement sets out the terms and conditions by which a grant is made from the Grade Crossing Protective Fund. The grant is administered by the UTC to the grantee for Docket No. TR-060107 identified above.

C. DESCRIPTION OF PROJECT

TR-060107 involves a public crossing improvement project on Foundry Road. The city will replace the current wood plank crossing surface with concrete panels. The city will also bring the street elevation up to railroad height and level out the steep grade. (The approach grade improvement is part of a much larger road building project and the cost of all roadwork will be borne by the developer.)

D. PERIOD OF PERFORMANCE

The project reimbursement period shall begin on April 28, 2008, and end on June 30, 2009. No expenditure made before or after this period is eligible for reimbursement unless incorporated by written amendment into this agreement.

E. PROJECT FUNDING

The total grant award provided by the UTC for this project shall not exceed \$20,000. The UTC shall not pay any amount beyond that approved for funding of the project. The grantee shall be responsible for all total project costs that exceed this amount.

F. RIGHTS AND OBLIGATIONS

All rights and obligations of the parties to this agreement are subject to this agreement and its attachments, including the grantee's application, commission order, and the general provisions, all of which are attached and incorporated into this agreement.

Except as provided, no alteration of any of the terms or conditions of this agreement will be effective unless provided in writing. All alterations must be signed by both parties.

The grantee has read, fully understands and agrees to be bound by all terms and conditions in these documents.

Docket No. TR-060107

2008 JUN -4 AM 8: 40

G. COMPLIANCE WITH APPLICABLE STATUTES, RULES, AND UTC POLICIES This agreement is governed by, and the grantee shall comply with, all applicable state and federal laws and regulations, including RCW 81.53.281, commission's rules in 480-62 (WAC), and the commission's order in this matter which are incorporated by this reference as if fully set forth. H. PROJECT GRANT AGREEMENT REPRESENTATIVE All written communications sent to the grantee under this agreement will be addressed and delivered to: Utilities and Transportation Commission The City of Sultan Kathy Hunter Donna Murphy 1300 S. Evergreen Park Dr. SW PO Box 1199 PO Box 47250 Sultan, Washington 98294 Olympia, WA 98504-7250 These addresses shall be effective until receipt by one party from the other of a written notice of any change. I. ENTIRE AGREEMENT This agreement, along with all attachments, constitutes the entire agreement of the parties. No other understandings, oral or otherwise, regarding this agreement shall exist or bind any of the parties. J. EFFECTIVE DATE This agreement for Docket No.TR-060107 shall be effective upon signing by all parties. State of Washington Utilities and Transportation Commission [Executive Secretary] The City of Sultan Approved as to form:

Assistant Attorney General