

FIRE FLOW AGREEMENT

THIS AGREEMENT is entered into this 18 day of Sept., 2018, by and between **Rainier View Water Co., Inc.**, a corporation organized under the laws of the State of Washington, hereinafter referred to as the "Owner" and **Cedar Springs Associates LLC**, a Washington Limited Liability Company, hereinafter referred to as the "Developer".

RECITAL

1. Developer owns real property, described on Exhibit A, attached hereto and incorporated by this reference (the "Property"). The Developer is intending to construct, among other things, apartment buildings on the Property. Developer desires to have fire flow service to the Property provided by Owner.

Parcel Numbers: 0419321036, 0419321007
Site Address: 17703 84th Ave E, Puyallup, WA 98375

2. Owner owns and operates a public water system in Pierce County, Washington, and desires to provide fire flow service to Developer under the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of mutual promises and benefits to be derived, it is hereby agreed between Owner and Developer as follows:

AGREEMENT

1. Owner agrees to provide fire flow service to Developer's Property (the "Services"). Provision of the Services means that Owner has capacity sufficient to provide fire flow to Developer's Property and will certify to state and local regulatory agencies as such. By providing such Services, Developer is then able to develop its property to the business advantage of Developer.

2. Developer shall construct, at its own discretion, its own fire prevention system on Developer's Property. Developer is providing and constructing such system, or choosing not to construct such system, based upon Developer's own knowledge and for Developer's own purposes. Developer will retain ownership and be responsible of the maintenance and operation of the fire prevention system.

3. Owner shall provide to Developer a service connection appropriate for the size of the Developer's lines serving the fire flow protection system constructed by Developer. Said service connection shall be used only for the provision of fire flow and shall not be used for any other purpose, including, but not limited to, domestic water service. Developer shall pay for fire flow service at the following rate:

- a. In accordance with the Owner's current tariff, which may change in the future, the monthly recurring rate shall be \$0.006 per square foot as measured by the exterior dimensions of the buildings on the Property, which dimensions shall be provided by Developer to Owner.
- b. Owner's normal non-recurring charge of 6 ERU per acre calculated at \$1,549.00 per ERU plus Federal Income Tax effect of \$412.00 per ERU for a total of \$1,961.00 per ERU with the Developer's property constituting 9.38 acres for a total of 56.28 ERUs.

Phase I
4.66 acres
27.96 ERU's @ \$1,961.00 = \$54,829.56

Phase II
4.66 acres
27.96 ERU's @ \$1,961.00 = \$54,829.56

Total
55.92 ERU's @ \$1,961.00 = \$109,659.12

- c. There is a Phase III consisting of twenty-five (25) duplexes and one (1) single family residence. Phase III is NOT covered by this Agreement.

4. Developer is required to and shall install a back flow prevention and leak detection devices for the fire flow lines. Developer covenants and agrees that it shall be responsible for maintaining the back flow prevention and leak detection device in working order. The back flow prevention and leak detection devices shall be inspected and tested at Developer's expense by Washington Certified Back Flow Assembly Tester as required under WAC 246-290-490. The Developer may contract for the back flow certification with any Washington Certified Back Flow Assembly Tester. A copy of satisfactory certification will be provided to Owner prior to the date of providing service under this Agreement and on an ongoing basis as testing certifications are required by state law and regulation. The back flow prevention and leak detection devices shall be accessible to the Owner and its employees at all times. For further information, please see Owner's tariff at Schedule 12 which applies to the back flow prevention devices.

5. DEVELOPER SHALL INDEMNIFY AND HOLD OWNER AND OWNER'S DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS HARMLESS FROM ANY AND ALL CLAIMS, INCLUDING, BUT NOT LIMITED TO, CLAIMS FOR DAMAGE TO PROPERTY OR PERSONAL INJURY OR DEATH RESULTING FROM OR IN CONNECTION WITH THE WORK DONE UNDER THIS AGREEMENT OR THE SERVICES PROVIDED UNDER THIS AGREEMENT, INCLUDING ATTORNEY'S FEES AND COURT COSTS, EXCEPT THAT WHICH IS THE RESULT OF THE GROSS NEGLIGENCE OF OWNER OR A VIOLATION OF CHAPTER 19.122 RCW BY THE OWNER.

6. Developer understands and agrees that Owner is not acting as an insurer of Developer or Developer's Property or property or safety of others on the Property. Owner shall not be liable for any loss of life, personal injury or loss or damage to property of Developer, its officers, members, directors, employees, contractors, agents, guests or invitees whether or not caused by failure of the Services and Developer shall hold Owner and Owner's directors, officers, employees and agents harmless from any such claim. Owner makes no warranties or representations as to performance of the Services.

7. THE PARTIES AGREE THAT THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND COURSE OF DEALING AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, ARE DISCLAIMED AND EXCLUDED FROM THIS TRANSACTION AND SHALL NOT APPLY TO ANY SERVICES PROVIDED.

8. SECTIONS 5, 6 AND 7 ALL FORM THE BASIS UPON WHICH OWNER IS WILLING TO PROVIDE THE SERVICES AND OWNER WOULD NOT ENTER INTO THIS AGREEMENT EXCEPT ON THE BASIS OF THE ENFORCEABILITY OF THESE SECTIONS 5, 6 AND 7.

9. Developer understands and agrees that Owner is not acting as an insurer of Developer or of the Property or property of others on the Property. Owner shall not be liable for any loss of life, personal injury or loss or damage to the Property of Developer and its successors and assigns and each of their employees, agents, guests or invitees whether or not caused by failure of the System Extension and Developer shall hold Owner and Owner's directors, officers, employees and agents harmless from any such claim. Owner makes no warranties or representations as to performance of the System Extension. Nor shall Owner be liable under any theory in law or equity to Developer or Developer's employees, agents, guests or invitees for any consequential, incidental, punitive or other loss or damage beyond direct damages caused by Owner or Owner's agents or employees gross negligence, breach of contract, or intentional misconduct or a violation of Chapter 19.122 RCW by the Owner.

10. Developer hereby agrees to purchase insurance in such amount as Developer deems adequate, to protect against loss, which insurance Developer agrees shall be Developer's sole source of recovery for failure of the System Extension, except for Owner's gross negligence, breach of contract, or intentional misconduct or Owner's violation of Chapter 19.122 RCW. Said insurance policy shall include a waiver of subrogation as applied to Owner, its directors, officers, employees and agents. This obligation shall survive the transfer of the System Extension to Owner.

11. This Agreement does not create any relationship or obligation by Owner to any person or entity other than Developer. The only relationship created between Owner and Developer is the obligations of Developer and Owner expressly set forth herein.

12. Nothing in this Agreement entitles Developer or Developer's successors or assigns to connect to Owner's water system, including the Services, except in accordance with the terms, conditions and charges in Owner's tariff filed with the Washington Utilities and Transportation Commission.

13. The price for the Services is set expressly on the disclaimer of warranties and limitation on liability set out in this Agreement and the disclaimer of warranties and limitations on liability are essential parts of the bargain and this Agreement.

14. Miscellaneous.

- a. Jurisdiction. This Agreement is made with reference to and is intended to be construed in accordance with the laws of the State of Washington. The parties agree that the venue for any suit brought hereunder shall be laid exclusively in Pierce County, Washington.
- b. Successors in Interest. This Agreement shall be binding upon and inure to the benefit of the successors, heirs, assigns and personal representatives of the parties.
- c. Execution of Counterpart. This Agreement shall be executed separately or independently in any number of counterparts, each and all of which together shall be deemed to have been executed simultaneously and for all purposes be one agreement.
- d. Construction. This Agreement shall not be construed more favorably to one party over another, notwithstanding the fact that one party, or its attorney, may have been more responsible for the preparation of the document.
- e. Attorney's Fees. In the event that any party hereto retains an attorney to enforce any of the provisions hereof, then the substantially prevailing party shall be entitled to reasonable attorney's fees incurred in both trial and appellate courts, or fees incurred without suit and all court and accounting costs.
- f. **Time. Time is expressly declared to be of the essence in this Agreement.**
- g. Survival. All of the obligations (except to the extent performed), warranties and representations in this Agreement shall survive the closing in this Agreement, which "closing" shall be delivery of the Services.
- h. Amendment. No modification, amendment, addition to, or termination of this Agreement nor waiver of any of its provisions shall be valid or enforceable unless in writing and signed by all parties.
- i. Waiver. No failure on the part of either party to exercise, and no delay in exercising, any rights hereunder shall operate as a waiver thereof; nor shall any

waiver or acceptance of a partial, single or delayed performance of any term or condition of this Agreement operate as a continuing waiver or a waiver of any subsequent breach thereof.

- j. Notices. Any notice provided for in this Agreement shall be deemed given if it is in writing and is personally delivered or sent by certified mail, postage prepaid, return receipt requested, and delivered or addressed as set forth below, or to such other address as Developer and Owner may hereafter designate by notice given in the same manner:

To Owner: Rainier View Water Co., Inc.
P.O. Box 44427
Tacoma, WA 98448

To Developer: Cedar Springs Associates, LLC
Richard L Lauritzen
118 Violet Meadow St S
Tacoma, WA 98444

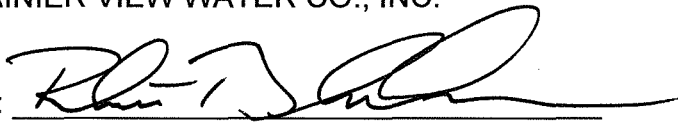
- k. Effective Date. For purposes of transfer of the facilities used in connection with the Services, and Owner's obligation herein, the Effective Date of this Agreement shall be thirty (30) days after this Agreement is filed with the Washington Utilities and Transportation Commission, unless suspended by the Commission; in which case the Effective Date shall be the date the Agreement is approved by the Commission.
- l. Entire Agreement. The terms of this Agreement constitute the entire understanding of Developer and Owner. Any other statement or representation, whether in writing or verbal, is expressly disclaimed and is not a part of this Agreement unless set forth herein.
- m. Survival. Paragraphs 5, 6, 7, 12 and 13 shall survive closing or termination of this Agreement. Any other provision which by its terms is reasonably intended to survive closing or termination of this Agreement shall do so.
- n. Force Majeure. Owner's obligations under this Agreement may be delayed or interrupted for reasons beyond its control such as, but not limited to, acts of nature, acts or orders of regulatory agencies, line breaks, mechanical failures or actions of third parties (a "force majeure event"). Owner shall not be in breach of this Agreement for a force majeure event.

15. DEVELOPER SHALL HOLD OWNER AND ITS OFFICERS, AGENTS AND EMPLOYEES HARMLESS FROM ALL SUITS, CLAIMS OR LIABILITIES OF ANY NATURE, INCLUDING ATTORNEY'S FEES, COSTS AND EXPENSES FOR OR ON ACCOUNT OF INJURIES OR DAMAGES SUSTAINED BY ANY PERSONS OR PROPERTY RESULTING FROM ACTIVITIES OR OMISSIONS OF THE DEVELOPER, ITS AGENTS, EMPLOYEES, GUESTS OR INVITEES RELATED IN ANY WAY TO THE USE, MAINTENANCE, REPAIR, OR FAILURE OF OPERATION OF THE SERVICES; AND IF JUDGMENT BE RENDERED OR SETTLEMENT MADE REQUIRING PAYMENT OF DAMAGES BY OWNER, WHICH DAMAGES ARE BASED ON THE ACTIVITIES OR OMISSIONS OF DEVELOPER, ITS AGENTS, EMPLOYEES, GUESTS OR INVITEES, THE DEVELOPER SHALL PAY THE SAME.

16. By signing this Agreement, Developer warrants that it is a Limited Liability Company in good standing in the State of Washington, that the person signing on Developer's behalf is authorized to do so and shall bind Developer and that execution of this Agreement shall not put Developer in breach of any other agreement, including, but not limited to, financing or security arrangements.

EXECUTED BY THE PARTIES as of the date first written above.

RAINIER VIEW WATER CO., INC.

By: 
Robert Blackman

Its: MANAGED

Cedar Springs Associates, LLC

By: 
Richard L. Lauritzen

Its: _____