



WASHINGTON WATER SERVICE COMPANY

UW-240682

Received
Records Management
Aug 19, 2024

August 19, 2024

Jeff Killip, Executive Director & Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Dear Mr. Jeff Killip;

Enclosed is a copy of the agreement between Mountain Highway Investment LLC and Washington Water Service Company (WWSC) to complete the two taps and extension of the water main on Mountain Highway E and the installation of hydrants. This site is in Pierce County, which is serviced by Southwood Water System, DOH ID# 82844H and Parcel number 0318108001, 0318108002, 0318108807, 0318108008, 0318108009, & 0318104052. This agreement has been signed by Michelle Branley and countersigned by Matthew D. Brown, the General Manager of WWSC.

Estimated costs identified in the attachment are \$624,000. To this, a deposit payment of \$18,400 has been received for the total projected engineering costs, as attached.

A map is included with this filing. Please do not hesitate to call me at 253-851-4060 Ext. 71103, if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Thu Hoang". The signature is written in a cursive style with a long horizontal stroke at the end.

Thu Hoang
Accounting Analyst



WASHINGTON WATER SERVICE

P.O. Box 44168

Tacoma, WA 98448 Tel: (877)408-4060

July 25, 2024

Mountain Highway Investment LLC
18300 Redmond Way Ste 120
Redmond, WA 98502

Re: Southwood Water System, DOH ID# 82844H, Pierce County, WA
Water Main Extension Agreement for Mountain Highway E Plat
Parcel Nos. 0318108001, 0318108002, 0318108007, 0318108008, 0318108009, &
0318104052

Dear Mountain Highway Investment LLC:

This Water Main Extension Agreement (the "Agreement") is between Washington Water Service Company ("Washington Water"), a Washington corporation and Mountain Highway Investment LLC (the "Owner"), a Washington Limited Liability Company to extend the existing
State of Incorporation Type of business

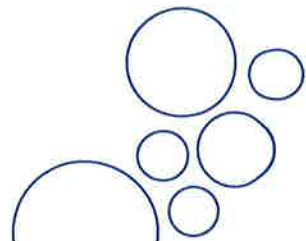
water main line and facilitate installation of any other facilities needed to provide water utility service to the parcel(s) referenced above.

This Agreement sets forth the terms and conditions as well as our engineer's projected costs, enclosed as "Attachment A", to complete the two taps and extension of the water main on Mountain Highway E, including the installation of hydrants capable to meet the minimum fire flow requirement of 750 gallons per minute for a 45-minute duration.

The developer shall enter into a separate agreement with Apex for the design, inspection, and certification of the associated improvements. Apex is Washington Water's master consultant for this system and has the assigned responsibility to maintain system growth through hydraulic modeling. Washington Water reserves the right to review and edit the project design and system capabilities. Water Certificates will not be issued until Apex's invoices are paid in full.

Apex Engineering LLC
Email: savage@apexengineering.net
Office: (253) 473-4494

The projected cost of \$624,000 is exclusive to the time and materials necessary as estimated by Washington Water Engineering, based on the submitted preliminary site plan. The estimated water utility scope includes: installation inspection for a water main extension, two hundred and forty three (243) 3/4" domestic meters, five (5) irrigation meters, tie-in of the new construction to the distribution system, bacteriological sampling, and engineering inspections. The final amount billed will be based on actual costs for engineering, materials, labor, and other costs incurred to complete



the project. The final amount may vary from the projected costs provided due to unforeseen issues during the design and installation/tie-in of the extended water main that are beyond the control of Washington Water.

You have indicated that in-home fire sprinklers will be required for this development. You will be required to supply Washington Water and Apex with the fire sprinkler design requirements from your fire sprinkler designer.

Washington Water will review the provided engineered construction plan and require the parcel owner to hire their own underground contractor to install the water main, appurtenances, and service for the intended purpose of installing water service to the parcel(s) listed above. This contractor must be pre-approved by Washington Water, prior to beginning any underground work (a list of approved contractors can be provided upon request).

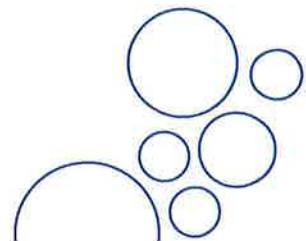
This development is subject to Washington Water's East Pierce Service Area's general facility charge under schedule number 3.1 of Washington Water's reviewed and approved tariff. The collected funds are to be exclusively used for developing and purchasing equipment and facilities needed for source, storage and transmission.

The improvements stated herein qualify as Contributed In Aid of Construction (CIAC). Pursuant to Section 118(b) of the Tax Cuts and Job Act of 2017, federal tax laws require CIAC funds to be federally taxed. To ensure that the expansion of water service to new customers does not unfairly burden a utility's existing customers, Washington Water will collect the applicable tax from the Owner. Applicants should consult their tax advisors concerning the application of tax laws.

Terms & Conditions

The projected costs are for engineering, construction materials, and labor only, unless otherwise specified in Attachment A. Upon execution of this Agreement and prior to commencement of engineering and construction, Washington Water requires a deposit equal to the Engineering fees of the projected costs outlined in this Agreement. The remaining projects costs will be reevaluated prior to construction and a deposit payment of fifty (50) percent of the remaining costs will be due. All past due accounts will be charged 1.5% per month (18% per annum). The projected cost submitted in this Agreement is provided as preliminary information only and the figures and information contained herein are subject to the execution of this Agreement within 30-business days of the date the Agreement was issued.

Terms and conditions of this Agreement are subject to the review and approval of the Washington State Utilities and Transportation Commission (the "Commission"). The effective date will be 75 days from the date Washington Water receives the signed agreement and deposit. Upon execution of this Agreement, Washington Water will submit the Agreement to the Commission for their approval. Upon the Commission's approval, plans will be prepared, and if required, submitted to the Washington State Department of Health for their approval. Once all necessary approvals have been obtained and the required payment received, Washington Water will schedule and cause construction to commence.



Upon completion of the project an easement is necessary for all mains and appurtenances outside of Pierce County's Rights of Way for Washington Water to maintain our water system facilities on an ongoing basis. The Owner's surveyor or engineering firm will need to prepare an easement description and drawing exhibit for the on-site water system mains and appurtenances using the Washington Water easement form. Washington Water requires that Washington Water is explicitly identified in the utility easement language of your plat record. The Owner is responsible for contacting all property owners of all affected properties and ensuring signatures are notarized and recorded with the Pierce County Auditor's office.

Upon completion of the main extension and after all other requested facilities have been installed and pressure tested; bacteriological samples taken and tested with satisfactory results; Certificate of Completion signed by a licensed engineer; and all approvals received, the Owner is to provide Washington Water with a Bill of Sale using the Washington Water Bill of Sale form transferring the ownership of these contributed facilities to Washington Water.

Prior to commencement of residential water service and issuance of a Certificate of Water Availability, Washington Water requires all remaining amounts be paid in full and an established active billing account. If meter installation does not occur after the installation of facilities, the Owner will be charged a monthly Ready to Serve fee as listed in Washington Water's approved tariff, until a meter installation has occurred. These requirements must be met before Washington Water will issue a Certificate of Water Availability.

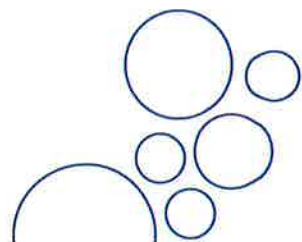
Neither this Agreement nor any of the rights, interests, or obligations under this Agreement may be assigned or delegated, in whole or in part, by operation of law, or otherwise, by the Owner without the prior written consent of Washington Water. Any such assignment without such prior written consent shall be invalid. Nothing expressed or referred to in this Agreement will be construed to give any person other than the parties to this Agreement any legal or equitable right, remedy, or claim under or with respect to this Agreement or any provision of this Agreement. This Agreement and all provisions and conditions are for the sole and exclusive benefit of the parties to this Agreement and their successors and assigns.

Upon execution of this Agreement, the Owner has 180 days to coordinate with Washington Water for engineering and construction to complete this project. This Agreement shall automatically become invalid unless the work authorized in this Agreement has commenced within 360 days after execution. Once this Agreement has become invalid, the project will be closed, and all project work will cease; a refund check will be issued to the Owner for pre-paid amounts received by Washington Water minus any billable work completed and non-refundable fees.


(Initial)

I understand that I am required to hire my own qualified contractor to complete the installation under the conditions listed below:

- Remit a deposit payment of \$18,400 (the cost for Engineering fees) of the projected costs as outlined in Attachment A. This deposit payment includes contingency and TCJA tax.



Actual costs for engineering, construction labor, materials, and County permits will be billed separately by Washington Water at the end of construction.

- Once a final utility plan is submitted to Washington Water Engineering for review, the projected costs will be reevaluated for the completion of this project. A fifty (50) percent down payment of the estimated project costs will be due before construction can begin.
- Prior to any underground work being started, the hired contractor must be pre-approved by Washington Water. A list of approved contractors can be provided upon request.
- Provide installing contractor's name and contact information, along with copies of their Contractor's License and Certificate of Insurance (contractor must have a minimum insurance coverage of \$1,000,000 per occurrence, \$2,000,000 annual aggregate naming Washington Water Service Company as Additional Insured and Certificate Holder).
- Time required to complete this project may vary due to the size of the project, projects already scheduled, and emergencies that may require our construction crew to leave project site.

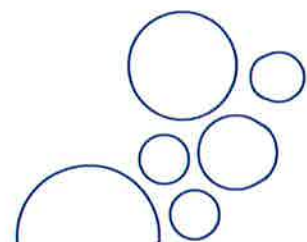
BEFORE CONSTRUCTION BEGINS:

- The signed Agreement and the required payment must be received by Washington Water before any work will be scheduled, including the purchasing of materials.
- The design engineer will be responsible for fire hydrant permits if a hydrant is required. Washington Water will be responsible for obtaining all other necessary regulatory agency approvals, county/state permits, and schedules with outside contractors.
- Provide names of any contractor(s) that may be working on-site.
- Schedule a pre-con meeting to review detailed plans and specifications with Washington Water's Engineer, and the Construction Superintendent or Construction Foreman.
- The underground contractor will be responsible for traffic control, excavation of the main to be tapped, and any road repairs necessary during and after installation. Any contractor purchased materials must be on-site and inspected by Washington Water prior to installation.
- An approved tapping contractor will tap the existing water main on Mountain Highway E in two locations. Washington Water will provide a list of approved tapping contractors.

DURING CONSTRUCTION:

- The installation of all on-site piping, services, water service lines, valves, fittings, and other appurtenances will be the responsibility of the Owner.
- Washington Water will operate the valves for filling and flushing of the new water main and will do periodic inspections of the installation.
- Review status of project with Washington Water's Construction Superintendent.
- Coordinate inspections with Washington Water (either our Construction or Engineering Department).

BEFORE TIE-IN/ACTIVATION OF NEW FACILITIES:



- Once construction is completed, Washington Water will witness a pressure test of all new water mains and appurtenances.
- A final inspection must be scheduled with the Construction Superintendent or Construction Foreman to review installed facilities and verify that they have been installed in accordance with the specifications provided in the engineering plans.
- Washington Water will be responsible for fire flow testing and submitting the fire flow test results to the county.
- Washington Water will take bacteriological samples. The results from the samples taken are required to meet all Washington State Department of Health Drinking Water Regulations and Standards. Unsatisfactory results will delay the tie-in of the new facilities.
- A backflow assembly (Double Check Valve-DCVA/Reduced Pressure Backflow-RPBA/Pressure Vacuum Breaker-PVB) is required whenever there is a possibility of a cross connection between the public water system and a non-potable water source. Examples include, but are not limited to, irrigation systems, fire sprinkler systems, or other water-using equipment. The backflow assembly device must be installed on the customer side of the meter; a licensed plumber can install this device. Annual testing and repair of the device is the responsibility of the parcel owner.
- Easement documents must be reviewed and approved by Washington Water and recorded with Pierce County.
- Washington Water Bill of Sale to be filled out by Owner, reviewed, and approved by Washington Water and recorded with Pierce County.
- Final payment for the work completed as outlined in this Agreement must be received and any remaining amounts due must be paid in full.

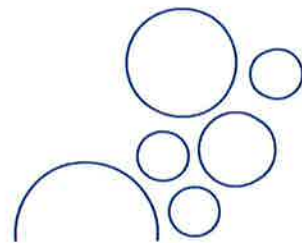
If the terms of this Agreement are acceptable, please provide your initials on page 3 and sign below. Return both this Agreement and the agreed payment to our East Pierce Office at 5410 189th St E, Puyallup, WA 98375 (Mailing Address: PO Box 44168, Tacoma, WA 98448). If you have any questions, please give me a call directly in Gig Harbor at (253) 851-4060 or toll free at (877) 408-4060.

Sincerely,
 By: 
 Matthew D. Brown, P.E.
 General Manager

Accepted
 By: 
 Michelle Branley
 Printed Name
206-384-0392
 Phone:
7/25/2024
 Date Accepted


Effective Date: 10/13/24

Enclosure(s): Attachment A
 cc: James Jensen, Operations Manager
 John Puccinelli, Engineering Manager
 Robert Bell, Construction Superintendent
 File2: EngFile# 4045



18300 REDMOND WAY SUITE 120
REDMOND WA

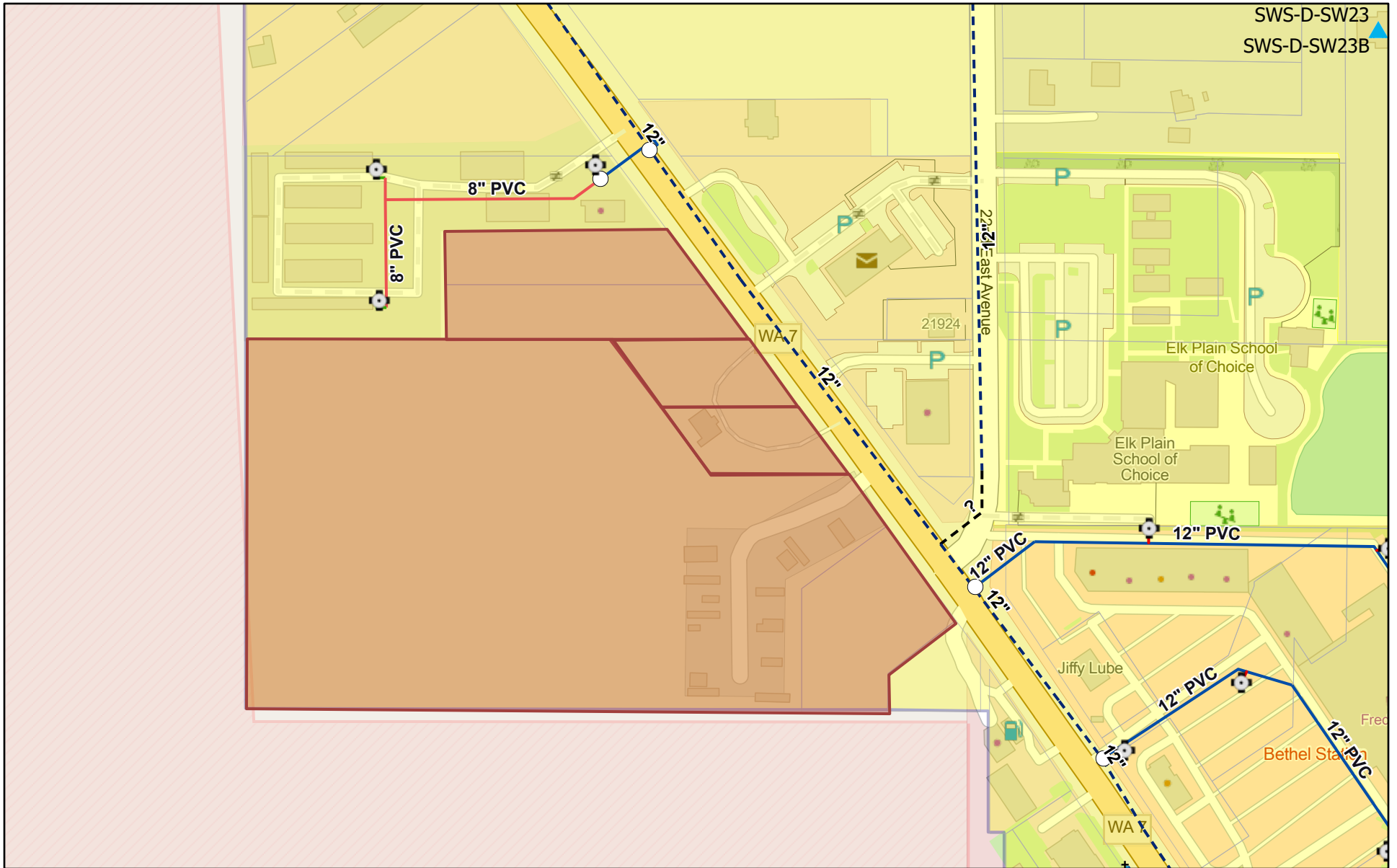
7/29/2024
Date

Pay to the Order of Washington Water Service Co | \$ 18,400.00 -
Eighteen Thousand Four Hundred and 00/100 Dollars  Security Features Begin on Back

Northwest Bank
For Mountain Highway E Deposit

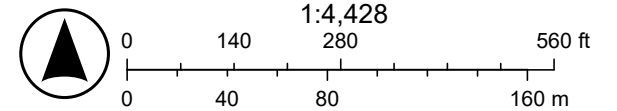
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MOUNTAIN HIGHWAY INVESTMENT



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| <ul style="list-style-type: none"> ⚡ Blowoffs_Pro Hydrants ⊕ 0 System Valves Pro ○ Gate | <ul style="list-style-type: none"> ▲ WQ_Sampling_Stations_Combined Water Mains (GIS location in-progress) - - - 12" - - - unknown | <ul style="list-style-type: none"> Lateral Mains Hydrant Water Mains Less than 2.5" 6" Parcels - Pierce (Partial) Active Service Areas Owned | <ul style="list-style-type: none"> 8" 12" 8" 12" 6" |
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Map by Washington Water Service