



WASHINGTON WATER SERVICE

14519 Peacock Hill Avenue • P.O. Box 336
Gig Harbor, WA 98335 Tel: (877) 408-4060

JUL 27 2020

June 29, 2020

Dan Bartos
The Harbor Group
2915 Harborview Drive
Gig Harbor, WA 98335

Re: Minterbrook Water System, DOH ID# 54740B, Pierce/Kitsap Counties
Water Main Extension Agreement for 9915 Creviston Drive NW (Office Complex)
Parcel No. 0122222049

Dear Mr. Bartos:

This Water Main Extension Agreement (the "Agreement") is between Washington Water Service Company (the "Washington Water") and Harbor Point Holdings, LLC (the "Owner") to extend an existing watermain line and installation of 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 engineers projected costs, enclosed as "Attachment A" to complete the extension of the watermain on Creviston Drive NW, tie-in to the distribution system, bacteriologic sampling, engineer inspections, installation of 8 service connections and a fire hydrant capable of providing 1,250 gpm for a 1-hour duration time as required by the Pierce County Fire Marshall, to be \$39,400. The final amount billed for completing this project is based on actual costs for engineering, materials, labor and other variables needed to complete the project, this amount may also vary from the projected costs provided due to unforeseen issues during the installation of the extended watermain and other facilities that are beyond the control of Washington Water.

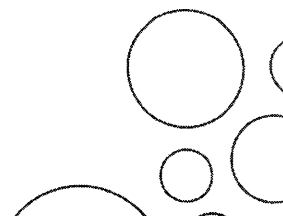
The improvements stated herein qualify as Contributed In Aid of Construction (CIAC). Pursuant to Section 118(b) of the Tax Cuts and Job Act of 2017, federal tax laws require CIAC funds to be federally taxed ensuring that the expansion of water service to new customers does not unfairly burden a utility's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

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 construction, Washington Water requires a deposit payment of \$19,700 (50% of the total cost projection) to complete the tie-in of the

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extended watermain to the distribution system and installation of other facilities required to provide service the parcel(s) listed above. All past due accounts will be charged 1.5% per month (18% per annum). The projected costs 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.

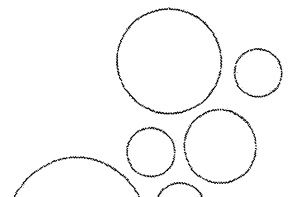
Terms and conditions of this Agreement are subject to the review and approval of the Washington State Utilities and Transportation Commission (the "Commission"). Upon execution of this Agreement, Washington Water will submit the Agreement to the Commission for their approval. Upon the Commission's approval, 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 deposit received, Washington Water will schedule and cause construction to commence.

Once construction has been completed, a Certificate of Completion signed by a licensed engineer and all approvals received. The Owner is to provide Washington Water with a utility easement that has been recorded with the Pierce County Auditor's office. A Bill of Sale transferring the ownership of these contributed facilities to Washington Water.

Washington Water will not issue any Certificate(s) of Water Availability until the extended watermain and any other requested facilities have been installed, pressure tested, bacteriological samples taken and tested with satisfactory results, a licensed engineer has certified the project as completed and the receipt of the recorded easement and Bill of Sale. Prior to commencement of commercial water service, Washington Water requires all remaining amounts be paid in full and an active billing account created for each service connection. If meter installation does not occur after the installation of facilities, the Owner will be charge a monthly Ready-to-Serve fee as listed in Washington Water's approved tariff, until a meter installation has occurred.

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 Owner without the prior written consent of Washington Water, and 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 of its 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-business days to coordinate with Washington Water for the engineering and construction to complete this project. This Agreement shall automatically become invalid unless the work authorized in this Agreement has commenced within 180-business 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 deposits or pre-paid amounts received by Washington Water minus any billable work completed and non-refundable fees.



I elect to hire my own qualified contractor to complete the installation under the conditions listed below:

(Initials)

- Remit deposit payment of \$19,700 (50% of the cost projection) for engineering, construction labor, materials, and county permits provided by Washington Water, as outlined in Attachment A. The deposit payment and signed Agreement must be received by Washington Water to begin work on your project.
- Washington Water will provide construction standards for watermain appurtenances such as blow-offs, shut-off valves and services to be included in the design of your watermain project. If revisions are necessary, Washington Water Engineering Department must review the plan set before construction can commence.
- Owner shall provide the installing contractor's name and contact information, along with copies of their Contractor's License, 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:

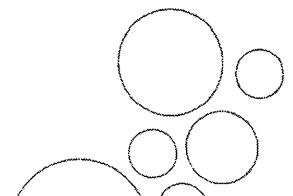
- The signed Agreement and the required deposit payment must be received by Washington Water before any work can be scheduled, including the purchasing of materials and requesting county permits.
- Materials must be on-site and inspected by Washington Water.
- Schedule a pre-con meeting with Washington Water's Construction Superintendent or Construction Foreman to review detailed plans and specifications of the project.
- Provide names of any contractor(s) that may be working on-site.
- The Owners underground contractor will be responsible for the excavation of the main to be tapped. Washington Water will tap the main, set the valve(s) and provide valve blocking.
- Washington Water will install a 6" flanged gate valve near the entrance of the Owner property for their contractor to connect to using an 8" x 6" reducing coupling for the 8" on-site water piping to the Owner's service and for the newly requested fire hydrant.
- If required, Washington Water will be responsible for obtaining all necessary regulatory agency approvals, county/state permits and schedule with outside contractors.

DURING CONSTRUCTION:

- Washington Water will operate the valves for filling and flushing of the new mains and will do periodic inspections of the installation and will witness the pressure testing of the new mains and fire hydrant.
- Review status and coordinate inspections of the project with either Washington Water's Construction Superintendent or Engineering Department.
- Provide Washington Water a copy of County ROW Permits that the Owner has obtained for the project.

BEFORE TIE-IN/ACTIVATION OF NEW FACILITIES:

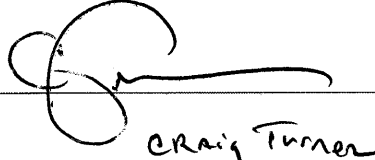
- Once construction is completed and prior to activation, Washington Water Engineering will witness a pressure test of the new mains and fire hydrant.



- A final inspection must be scheduled with the Construction Superintendent or Construction Foreman to review installed facilities and that the installed facilities have been installed in accordance with the specifications provided in the engineering plans.
- Washington Water will be responsible for the fire hydrant fire flow testing and county submittal.
- 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 and activation 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-portable 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.
- Final payment for the work completed as outlined in this Agreement has been received, and any remaining amounts due be paid in full.

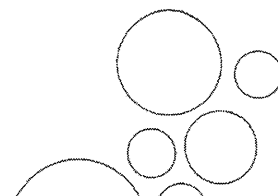
If the terms of this letter are acceptable, please initial your election to hire your own contractor and then sign the letter below. Return both this letter and the agreed payment for the watermain extension and installation of any other facilities listed in this Agreement to our Gig Harbor Office at 14519 Peacock Hill Avenue NW, Gig Harbor, WA 98335 (Mailing Address: PO Box 336, Gig Harbor, WA 98332). 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: 
 Printed Name Craig Turner
 Phone: 253-514-6566 OFFICE
 Date Accepted July 23 '20

Enclosure(s)
 cc: Kanosi Chakweva, Accounting Manager
 Eric Williams, Construction Superintendent
 Sarah Castro, Interim Customer Service Manager
 John Puccinelli, Engineering Manager
 Shawn O'Dell, Operations Manager
 File1: Water System
 File2: EngFile# XXX

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HARBOR POINT HOLDINGS, LLC

P.O. BOX 156
GIG HARBOR, WA 98335

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98-767/1251
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7/27/20

Date

Pay to the

Order of Washington Water Service

\$ 19,700.00

Nineteen thousand seven hundred and ^{no}/100

Dollars



Security
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For 50% deposit Creston

Bryan Stalker

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