



WASHINGTON WATER SERVICE

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

October 2, 2019

John Holmaas
PO Box 206
Gig Harbor, WA 98335

Re: Lake Minterwood Water System; DOH ID# 55210 0; Pierce County, WA
Distribution Main Extension for Key Center 5 a Proposed 10 Lot Development
Site Address: 13819 Key Peninsula Highway
Tax Parcel # 0122304039

Dear Mr. Holmaas:

This Distribution Main Extension Agreement (the "Agreement") is between Washington Water Service Company (the "Washington Water") and John Holmaas (the "Owner") to extend the current water main line to provide water utility service to 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 design, water main tie-in to the distribution system, bacteriologic sampling, engineer inspections, installation of 10 service connections and the installation of a fire hydrant, to be \$ 15,001. The final amount billed is based on the actual costs to complete this project, engineering, construction labor, materials and other seen or unforeseen variables that are beyond the control of Washington Water.

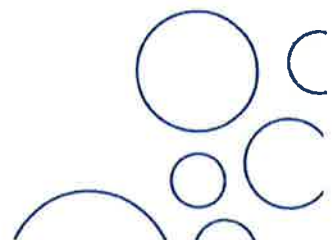
Terms & Conditions

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 payment of the total projected cost of \$ 15,001 (\$5,100-Engineering/\$9,901-Construction) to complete the engineering and design; and tie-in of the extended water main to distribution system. The Owner's Contractor will install all other elements of this project as per the design by Washington Water Service. All past due accounts will be charged 1.5% per month (18% per annum). The estimate costs as set forth in this Agreement are subject to change after 30-days of the above written date.

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 payment received, Washington Water will schedule and cause construction to commence.

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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 10-foot square (10x10) Utility Easement at all property corners and a 20-foot wide utility easement centered upon all water mains, facilities and appurtenances on approved development plans (unless otherwise agreed to by Washington Water). Owner shall notify his land surveyor to include the Washington Water Service easement provision on the face of the plat. Prior to recording Owner shall confirm with Washington as to the language of the easement. Owner shall also provide Washington Water a Bill of Sale transferring the ownership of these contributed facilities to Washington Water, enclosed as "Attachment B".

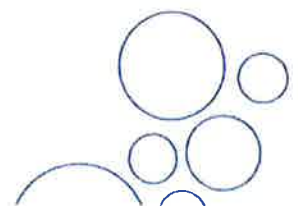
Washington Water will NOT issue any Certificate(s) of Water Availability until all mains have been installed, pressure tested and certified complete by a licensed engineer, bacteriological samples taken and tested with satisfactory results and a Bill of Sale/Recorded Easement have been received. Prior to commencement of domestic water service, Washington Water requires all remaining amounts and service connection charges be paid in full. The service connection charge for each dwelling unit as listed in Washington Water's approved tariff are billed separately from this Agreement and must be paid prior to installation of individual meters.

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-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-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.

(Initial) I agree elect to hire my own qualified contractor to complete this installation under the conditions listed below:

- Remit payment of \$ 5,000 for the engineering and design for the Distribution Main Extension. (Received on September 10, 2019)
- Remit pre-payment of \$9,900.71 for construction labor, materials, and county permits provided by Washington Water, as outlined in Attachment A.
- Provide 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).



BEFORE CONSTRUCTION BEGINS:

- Pick up detailed plans and specifications.
- Materials must be on-site and inspected by Washington Water.
- A pre-con meeting, to review detailed plans and specifications with Washington Water's Construction Superintendent or Construction Foreman can be schedule once Washington Water has received the signed Agreement and payment of projected costs

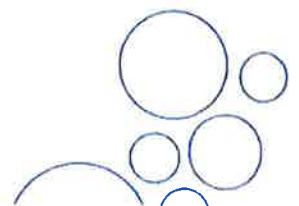
DURING CONSTRUCTION:

- Review status of project with Washington Waters Engineering Department.
- Coordinate inspections with Washington Water (either our Construction Superintendent or Engineering Department)
- Provide Washington Water a copy of County ROW Permits.

BEFORE TIE-IN / ACTIVATION OF NEW FACILITIES:

- Final payment for the work completed as outlined in this Agreement has been received, and any remaining amounts due and any service connection charges be paid in full, including a completed Bill of Sale and recorded Easement.
- Schedule a final inspection meeting with Washington Water to review installed facilities and that they have been installed in accordance with the specifications provided in the engineering plans.
- Bacteriological samples taken, tested and results received from the testing facility. 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.
- Before service is activated, 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.

The improvements stated herein qualify as Contributions In Aid of Construction (CIAC). Pursuant to Section 118(b) of the Tax Cuts and Jobs Act of 2017, federal tax law requires 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.



If the terms and conditions are acceptable, please sign the signature line below and return this Agreement and the required payment back to our office. 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-days of this date. 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
Matthew D. Brown, P.E.
General Manager

Accepted

By: [Signature]
Print Name: Shawn W. Holmaas
Phone: 253-381-1552
Date Accepted: 10-12-2019

Enclosure(s)

- cc: Kanosi Chakweva, Accounting Manager
- Eric Williams, Construction Superintendent
- Sue Hull, Customer Service Manager
- John Puccinelli, Engineering Manager
- Shawn O'Dell, Operations Manager
- File1: Water System
- File2: EngFile# 3044

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JUL 09 2020

SECURITY FEATURES INCLUDE: HEAT SENSITIVE PAPER, MICR LINE, VOIDING INK, ORIGINAL

Security Features Included

Details on Back

Kitsap Bank
98-290/1251
98-290/1251

22383

7-8-2020

Kitsap Bank

J-C Enterprises
John and Carole Holmaas
PO Box 206
Gig Harbor, WA 98335

WASHINGTON WATER

NINE THOUSAND NINETEEN DOLLARS

\$ 9901.00

DOLLARS

MEMO Key Centers / 0122304039

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AUTHORIZED SIGNATURE

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