

October 24, 2022

Amanda Maxwell, Executive Director & Secretary Washington Utilities and Transportation Commission PO Box 47250 Olympia, WA 98504-7250

Dear Ms. Maxwell;

Enclosed is a copy of the agreement between Resource Properties, LLC and Washington Water Service Company (WWSC) to complete the tap and extension of the water main in Peacock Hill Ave NW. This site is in Pierce County, which is serviced by Peacock Hill Water System, DOH ID# 66637Q. This agreement has been signed by Benjamin Pentecost and countersigned by Matthew D. Brown, the General Manager of WWSC.

Estimated costs identified on attachment are \$23,600.00. To this, a half payment of \$11,800.00 has been received for the total projected engineering costs, as attached.

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

Sincerely,

Thu Hoang

Accounting Analyst

Customer Service: Toll Free (877) 408-4060

Olympia: 6800 MERIDIAN RD SE • OLYMPIA, WA 98513

# WASHINGTON WATER SERVICE

14519 Peacock Hill NW Gig Harbor, WA 98332 *Tel*: (877) 408-4060

July 22, 2022

Resource Properties, LLC Attn: Ben Pentecost 108 West Stewart Ave Puyallup, WA 98371

Re: Peacock Hill Water System, DOH ID# 66637Q, Pierce County

Water Main Extension Agreement for "The Reserve Platt" 14 SFR Connections,

xxx Peacock Hill Ave. & xxx 101st St Ct.

Parcel No. 0222323134, 0222323135; Section 32, T22N, R2E, W.M.

Dear Ben Pentecost,

This Water Main Extension Agreement (the "Agreement") is between Washington Water Service Company (the "Washington Water") and Resource Properties, LLC (the "Owner") to extend the existing water main line and 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 tap and extension of the water main in Peacock Hill Ave NW. The projected cost of \$23,600 is exclusive to the time and materials necessary to review the engineered construction plan-set provided by your engineering firm CPH Consultants and all engineering inspections, and final review of completed project for certification for the water main extension and the 14 new services, the tie-in of new construction to the distribution system, and bacteriologic sampling. 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/tie-in of the extended water main and service line that are beyond the control of Washington Water.

Washington Water will allow the parcel owner to hire his/her own underground contractor to install the watermain, appurtenances and services for the intended purpose of installing water service to the parcel listed above. This contractor must be approved by Washington Water, prior to beginning any underground work (a list of approved contractors can be provided upon request). The services are to be set along your lot frontages within the designated easement or right-of-ways for each lot. The services are for domestic use only.

If in home fire sprinklers will be required by Pierce County Fire Marshal's office, a larger service assemble may be needed at accommodate sprinkler flow. If fire flow sprinklers are required, please provide a copy of sprinkler requirements from the Fire Marshal's office or the sprinkler flow calculations from your fire sprinkler professional for sizing the larger service assembly.

Quality. Service. Value.

wawater.com

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 engineering and construction, Washington Water requires deposit payment of 50% \$11,800 of the projected costs outlined in this Agreement. 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"). 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.

Washington Water requires a 20 foot wide easement for all onsite piping and appurtenances or right-of-ways to be dedicated to the City of Gig Harbor. If necessary, a 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 after construction is complete. Once all signatures have been notarized on the easement document, it must be recorded with the Pierce County Auditor's office.

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

Washington Water requires all remaining amounts be paid in full with an active billing account established prior to commencement of domestic water service and issuance of the Certificates of Water Availability. 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.

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 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:

- Remit deposit payment of 50% of the projected costs (\$23,600) for engineering, construction labor, materials, and county permits provided by Washington Water, as outlined in Attachment A.
- 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.
- If required, Washington Water will be responsible for obtaining all necessary regulatory agency approvals, county/state permits and schedule 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.
- Underground contractor will be responsible for traffic control, excavation of the main to be tapped along with any road repairs necessary during and after installation. Any contractor purchased materials must be on-site and inspected by Washington Water prior to installation.
- Washington Water will tap the existing watermain in Peacock Hill Ave NW. A tapping sleeve, AWWA
  gate valve and valve blocking will be provided by Washington Water for your contractor to connect
  to.

#### **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 that the installed facilities have been installed in accordance with the specifications provided in the engineering plans.
- If a fire hydrant is installed, Washington Water will be responsible for fire flow testing and 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-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 to complete the extension project under the terms listed in the Agreement and then sign the letter below. Return both this letter and the agreed payment 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,

Matthew D. Brown, P.E.

General Manager

Accepted

BENJAMIN

Printed Name

Phone: 253-604-7200

Enclosure(s)

cc: Jim Morrison, Accounting Manager James Hughes, Acting Construction Superintendent Sarah Castro, Customer Service Manager John Puccinelli, Engineering Manager Shawn O'Dell, Operations Manager (Gig Harbor/Olympia) EngFile# 3978

\ssndsvr\shared data\Engineerinq\Project Report 3500\3978 - Peacock Hill Ave (0222323134) Resource\1 - ENGINEERING REVIEW\300 -Contract Drafts\PH.xxx Peaock Hill Ave-MainExt. Reserve Plat 14 Svcs\_Resource Properties 07-21-2022.docx



# Peacock Hill Water System Domestic Service to The Reserve Plat on Peacock Hill Ave NW

July 22, 2022 (Projected Cost Good for 30-Days)

Engineering File # 3978

## \*\*\* Construction Materials \*\*\*

Unit of			Unit of			
Property	Description	Quantity	Measure		Unit Cost	Total
103430	Construction Materials, Pipe, Valves, Fittings, Etc		1 LS	\$	4,500.00	\$ 4,500.00
103450	Construction Materials for Services		1 LS	\$	-	\$ ) -
103480	Construction Materials for Hydrants		1 LS	\$		\$ -
						\$ -
						\$ -
		Sub-Total				\$ 4,500.00
		Contingency			10%	\$ 450.00
		SUB Total - Materials				\$ 4,950.00
		Rounded Up Value			\$5,000.00	

#### \*\*\* Construction Labor \*\*\*

Unit of			Unit of			
Property	Description	Quantity	Measure	l	Unit Cost	Total
103430	Construction Labor - Watermain	1	LS	\$	5,000.00	\$ 5,000.00
103450	Construction Labor - Services	1	LS	\$	800.00	\$ 800.00
103480	Construction Labor - Hydrants	1	LS	\$	800.00	\$ 800.00
		1000				\$ -
	WWSC Engineering	1	LS	\$	2,200.00	\$ 2,200.00
						\$ -
						\$ -
						\$ 8,800.00
		Contingency			10%	\$ 880.00
		Sub-Total - Co	onstruction	Labor	r	\$ 9,680.00
		Rounded Up	Value			\$9,700.00

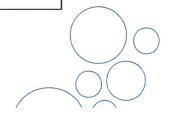
## \*\*\* Outside Contractor \*\*\*

Description	Quantity	Unit of Measure				Total
	1		\$	400.00	-	400.00
w Fees	1					-
	1					-
	1					-
Consultant	1					-
yor	1					-
	1					
nsurance	1				\$	-
	1	LS			\$	-
cility Rental (Portable Toilet)	1	LS	\$	-	\$	-
tractor - Pavement Restoration	1	LS			\$	-
rol Contractor - Flaggers	1	LS	\$	-	\$	-
					\$	-
					\$	
					\$	-
					\$	-
	SUB TOTAL				\$	400.00
	Contingency	Contingency 10%			\$	40.00
	Sub-Total - O	utside Cont	ractor		\$	440.00
	Rounded Up	Value				\$500.00
	Project Subto	Project Subtotal =			S	15,200.00
					S	accessor probability and the last
	Estimated TCJA tax for WWSC Costs			\$	400.00	
					\$	300.00
ated Developer Costs for Taxable Service	es					
29,100.0	0 Estimated TC	JA Tax for	Develope	r Costs =	\$	7,700.00
	rmits (Encroachment) w Fees w Fees wrices cal Engineer g Consultant yor  nsurance acility Rental (Portable Toilet) stractor - Pavement Restoration crol Contractor - Flaggers	SUB TOTAL   Contingency   Sub-Total - O   Rounded Up	Description   Quantity   Measure	Description   Quantity   Measure   Unit	Description   Quantity   Measure   Unit Cost	Description   Quantity   Measure   Unit Cost

#### Projected Funds Required = \$23,600

#### Assumptions:

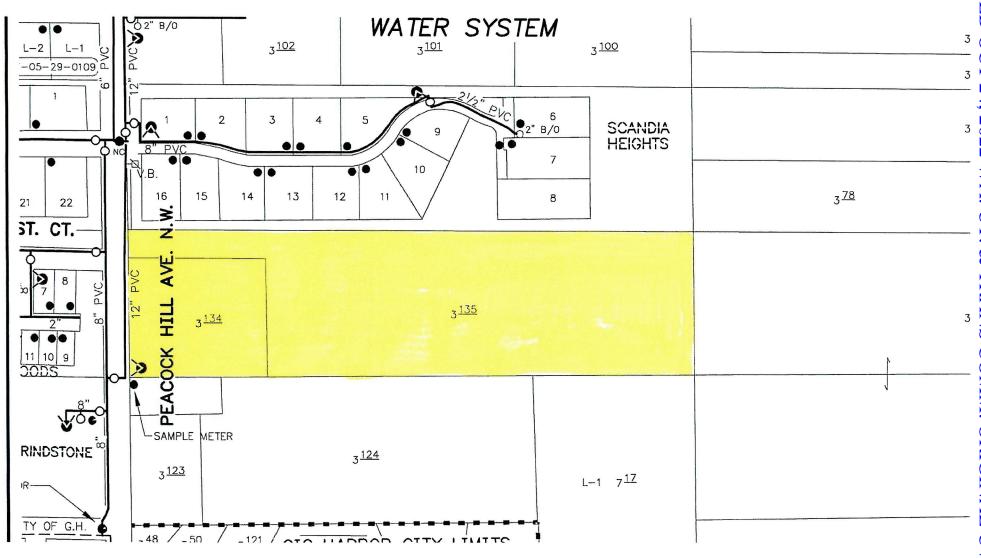
- 1) This document is intended to forecast approximate construction costs based upon current information and similar projects, and is not intended to accurately represent actual design or construction components or prices. 2) Totals are rounded to nearest \$100



RECEIVED OCT 24, 2022 WA. UT. & TRANS COMM ORIGINAL UW-2207855 ACH R/T 125000024 19-2/1250 WA PROSPECT DEVELOPMENT, LLC 99031 2913 5TH AVE NE STE 201 PUYALLUP, WA 98372-6748 9/27/2022 PAY TO THE ORDER OF\_ \*\*11,800.00 Washington Water Service **DOLLARS** Washington Water Service 14519 Peacock Hill Ave NW Gig Harbor WA 98332 0 MEMO PROSPECT DEVELOPMENT, LLC 3355 9/27/2022 Washington Water Service 11,800.00 Project Name: The Reserve - Gig Harbor

Prospect - BofA - Che

11,800.00



# **Washington Water Service Co.**

**Engineering Department** 6800 Meridian Road SE Olympia, WA 98513

**Engineer's Opinion of Probable Project Costs Summary** Attachment "A"

# **Peacock Hill Water System** Domestic Service to The Reserve Plat on Peacock Hill Ave NW

October 28, 2022 (Projected Cost Good for 30-Days)

Engineering File # 3978

# \*\*\* Construction Materials \*\*\*

Unit of			Unit of			
Property	Description	Quantity	Measure	ι	Jnit Cost	Total
103430	Construction Materials, Pipe, Valves, Fittings, Etc	1	LS	\$	4,500.00	\$ 4,500.00
103450	Construction Materials for Services	1	LS	\$		\$ -
103480	Construction Materials for Hydrants	1	LS	\$		\$ -
						\$ -
						\$ -
		Sub-Total				\$ 4,500.00
		Contingency			10%	\$ 450.00
		SUB Total - N	/laterials			\$ 4,950.00
		Rounded Up	Value			\$5,000.00

#### \*\*\* Construction Labor \*\*\*

Unit of			Unit of				
Property	Description	Quantity	Measure		Unit Cost		Total
103430	Construction Labor - Watermain	1	LS	\$	5,000.00	\$	5,000.00
103450	Construction Labor - Services	1	LS	\$	800.00	\$	800.00
103480	Construction Labor - Hydrants	1	LS	\$	800.00	\$	800.00
						\$	-
	WWSC Engineering	1	LS	\$	2,200.00	\$	2,200.00
						\$	-
						\$	-
						\$	8,800.00
		Contingency			10%	\$	880.00
		Sub-Total - C	onstruction	Lab	or	<b>\$</b>	9,680.00
		Rounded Up	Value				\$9.700.00

#### \*\*\* Outside Contractor \*\*\*

Projected Funds Required =

Unit of			Unit of			
Property	Description	Quantity	Measure	Unit Cost		Total
	County Permits (Encroachment)		LS	\$ 400.00	\$	400.00
	DOH Review Fees	1			\$	-
	Tapping Services	1	LS		\$	-
	Geotechnical Engineer		LS		\$	-
	Engineering Consultant		LS		\$	-
	Land Surveyor	1	LS		\$	-
	Land Cost	1			\$	-
	Additional Insurance	1	LS		\$	-
	Bonding	1	LS		\$	
	Sanitary Facility Rental (Portable Toilet)	1	LS	\$ -	\$	-
	Paving Contractor - Pavement Restoration	1	LS		\$	-
	Traffic Control Contractor - Flaggers	1	LS	\$ -	\$	-
					\$	-
					\$	-
					\$	-
					\$	-
		SUB TOTAL			\$	400.00
		Contingency	•	10%	\$	40.00
		Sub-Total - O	utside Cont	ractor	\$	440.00
		Rounded Up Value				\$500.00
		Project Subto	tal =		\$	15,200.00
		East Pierce F	acilities Cha	arge =	\$	-
		Estimated TC			\$	400.00
		State B&O Ta	ax		\$	300.00
	Anticipated Developer Costs for Taxable Services \$ 29,100.00		JA Tax for I	Developer Costs =	\$	7,700.00

#### Assumptions:

- 1) This document is intended to forecast approximate construction costs based upon current information and similar projects, and is not intended to accurately represent actual design or construction components or prices.
- 2) Totals are rounded to nearest \$100

\$23,600