



August 21, 2014

Ryan McGowan
RM Homes
2913 5th Avenue NE, Suite 201
Puyallup, WA 98372

RE: Peacock Hill Water System, DOH ID#66637Q, Pierce County,
Water Main Extension and Off Site Improvements – Peacock Hill Meadows Plat
Parcel No. 0222318053

Dear Mr. McGowan:

This extension agreement is between Washington Water Service Company (the “Washington Water”) and RM Homes (the “Owner”) to construct a water main line extension and to provide water utility service to Peacock Hills Meadows plat. This extension agreement sets forth the terms and conditions as well as the estimated costs of the main line extension and service connections to the Peacock Hill Water System. The actual costs of the main line extension may vary from the estimated costs. The final cost amount will be billed based on actual hours and materials used to complete the project.

Attached to this extension agreement is Exhibit A – legal description of the property for which water service is requested.

This estimated cost is for the cost of engineering, materials, and labor only, unless specifically listed on the attached Exhibit “B.” Upon execution of this extension agreement and prior to commencement of construction, Washington Water requires a deposit payment of fifty-percent (50%) of the estimated costs of \$92,702.06 (plus W.S.S.T of \$5,557.94) for a total estimated cost of \$98,260, for a total deposit due of \$49,130.

In addition to the above, there is an Offsite Improvement cost of \$3,100 per lot due prior to final plat approval. This fee is for a portion for the improvements along Peacock Hill and an additional source to provide 1,000 GPM fire flow to your project. All past due amounts will be charged 1.5% per month (18% per annum). The estimate costs as set forth in this extension agreement are subject to change after thirty (30) days of the first 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”). Once this extension agreement is executed, Washington Water will submit the extension 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 has been received, Washington Water will schedule and cause construction to commence.

The final amount due will be billed based on actual hours and materials used, the total cost could vary from the amount estimated, due to unforeseen issues during the installation of the water main line extension that are beyond the control of Washington Water, including the location of other utilities service lines. The total cost of all listed work for this project is estimated at \$98,260 (See Exhibit B).

EXHIBIT B

WASHINGTON WATER SERVICE COMPANY

Mailing Address: P.O. Box 336, Gig Harbor, WA 98335
 Physical Address: 14519 Peacock Hill, Gig Harbor, WA 98335
 Phone Number: (253) 851-4060
 Toll Free Number: (877) 408-4060

Totals will be off due to Rounding

Water Mains & Off Site Imp. Peacock Meadows

Peacock Hill ID #66637 Q, Pierce County

DATE: June 26, 2014

CONSTRUCTION COSTS

ITEM	DESCRIPTION	QTY	UNIT	UNIT COST	TOTAL
1	Water Main - 8"	360	LF	\$ 41.19	\$ 14,827.65
2	Hydrant	2	EA	\$ 4,108.00	\$ 8,216.00
3				\$ -	\$ -
4	Misc. Pipe Fittings (Tee's, Valves, 90's & 45's)	1	LS	\$ 6,583.00	\$ 6,583.00
5				\$ -	\$ -
6	Double Services	1	EA	\$ 436.00	\$ 436.00
7	Single 3/4 inch Metered Service	2	EA	\$ 328.00	\$ 656.00
8	Water Main - 2-1/2"	300	LS	\$ 16.00	\$ 4,800.00
9	Road Bore & Resortation	1	LS	\$ 24,818.00	\$ 24,818.00
10	Water Quality Testing (Samples & Pressure Testing)	1	EA	\$ 1,815.00	\$ 1,815.00
11	Vacuum Breaker	1	EA	\$ 638.00	\$ 638.00
12	Single Service on 2 1/2"	3	EA	\$ 245.00	\$ 735.00
13	Double Service on 2 1/2"	3	EA	\$ 374.00	\$ 1,122.00
14	Blow Off	2	EA	\$ 741.00	\$ 1,482.00
15	Intertie to Existing Mains	1	EA	\$ 4,225.00	\$ 4,225.00
16				\$ -	\$ -
17				\$ -	\$ -
18				\$ -	\$ -
19				\$ -	\$ -
20				\$ -	\$ -
21				\$ -	\$ -

TOTAL Contract Cost* \$ 70,353.65

Sales Tax (7.90%) \$ 5,557.94

SUBTOTAL Construction Costs \$ 75,911.59

23,403.03 Labor Tabl
 26,431.99 Materials
 450.00 Taps & Bo
 1,172.00 Contractor
 51,457.02

NON CONSTRUCTION COSTS

DESCRIPTION	QTY	UNIT	UNIT COST
Permits (Enviro., Arch., Bldg., Etc.)		LS	\$ -
Engineering Project Reports & Const. Documents	15%	LS	\$ 11,386.74
Land Cost		LS	\$ -
Overhead		LS	\$ 2,026.53
Bonding (Based on Contract Cost)	0%	LN*	\$ -

SUBTOTAL Non Construction Costs \$ 13,413.27

TOTAL Construction & Non Construction Costs \$ 89,324.86 **\$89,324.90**
(Actual) (Rounded Up Value)

NON HARD COSTS

DESCRIPTION	QTY	UNIT	UNIT COST
Contingency	10%	% of Total	\$ 8,932.49
			\$ -

SUBTOTAL Non Hard Costs \$ 8,932.49

TOTAL FUNDS REQUIRED **\$98,260**

Cost per Lot: 1 \$98,260
 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 \$1,000.
- 3) Costs in this estimate are good for 30-days from the date the estimate is issued.

RM HOMES LLC
2913 5TH AVE NE STE 201
PLYALLUP WA 98372-6748

Bank of America
ACH R/T 125000024

2379
19-2/1250 WA
99123

9/8/2014

PAY TO THE ORDER OF WA Water Services Co

\$ **49,130.00

Forty-Nine Thousand One Hundred Thirty and 00/100***** DOLLARS

WA WATER SERVICE CO
14519 PEACOCK HILL AVE NW
GIG HARBOR WA 98335

MEMO



AUTHORIZED SIGNATURE

⑈002379⑈ ⑆125000024⑆ 138112060402⑈

RM HOMES LLC

2379

Date	Type	Reference	Original Amt.	Balance Due	9/8/2014 Discount	Payment
9/5/2014	Bill	DOH ID#66637Q	49,130.00	49,130.00		49,130.00
					Check Amount	49,130.00

RM Homes - BofA - Ch

49,130.00

Exhibit A Legal Description

Parcel Summary for 0222318053

Property Details

Parcel Number: 0222318053
Site Address: 9916 PEACOCK HILL AV NW
Account Type: Real Property
Category: Land and Improvements
Use Code: 2100-VACANT LAND UNDEVELOPED

Taxpayer Details

Taxpayer Name: RM HOMES LLC
Mailing Address: 2913 5TH AVE NE STE 201
FUYALLUP WA 98372

Appraisal Details

Value Area: P11
Appr Acct Type: Residential
Business Name:
Last Inspection: 01/29/2014 - Physical Inspection

Assessment Details

2014 Values for 2015 Tax
Taxable Value: 97,000
Assessed Value: 97,000

Related Parcels

Group Account Number: n/a
Mobile/MFG Home and Personal Property: 2892006328
parcels located on this parcel
Real parcel on which this parcel is located: n/a

Tax Description

Section 31 Township 22 Range 02 Quarter 44 - L 1 OF S P 94-10-18-0168 LESS ADD RD R/W AS PER ETNS 369491 & 369493 TOG/W EASE 3 RESTRICTIONS OF RECORD
OUT OF 4002 SEG 3-33593G 11-10-94 SG