

WATER SYSTEM EXTENSION AGREEMENT

THIS AGREEMENT is entered into this 13 day of January, 2020,
between **RAINIER VIEW WATER CO., INC.**, a corporation organized under the laws of
the State of Washington, hereinafter referred to as the "Owner," and **Thomas H.
Oldfield**, hereinafter referred to as "Developer."

RECITALS

1. The Developer has proposed to install a water distribution main and related operating equipment and appurtenances to Owner's standards and specifications.
2. Owner owns and operates a public water system, and is willing to provide water service to Developer and own and operate the water distribution main and related operating equipment and appurtenances if constructed to Owner's standards and specifications.

NOW, THEREFORE, in consideration of the mutual promises and benefits to be derived, it is agreed as follows:

AGREEMENT

1. Developer shall install a water distribution main and related operating equipment and appurtenances ("System Extension") to Owner's Conditions and Standards, a copy of which is attached hereto as Exhibit "A", and by this reference incorporated herein, at the location described below:

**Warren Dr. Extension
Serving Parcel Nos. 0121262112 and 0121262111
(2 Equivalent Residential Units – 2 ERUs)**

The details of the System Extension are described on Drawing No. 1, attached hereto as Exhibit "B" and by this reference incorporated herein. The construction includes

relocation of a fire hydrant and installation of new fire hydrants as depicted on Drawing No.1.

2. Developer shall provide a construction performance and maintenance bond which holds Owner harmless from the negligence of Developer, its agents, liens, third-party liability, and defective materials or equipment, a copy of said bond is attached hereto as Exhibit "C" and by this reference incorporated herein.

3. Developer shall procure and insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Developer, its agents, representatives, employees or subcontractors. The insurance required shall include the specific coverages and be written for not less than the limits of liability and coverages listed below or required by law, whichever is greater.

Workers Compensation, etc., shall have the following minimum limits:

A.	State	Statutory
B.	Applicable Federal (e.g., longshoremens')	Statutory
C.	Employer's Liability	\$1,000,000

Comprehensive General Liability shall have the following minimum limits:

A.	Bodily injury (including completed operations and products liability):	
	\$1,000,000	Each Person
	\$1,000,000	Each Accident

Property Damage:

\$1,000,000	Each Occurrence
or a combined single limit of	\$1,000,000

B. Property Damage liability insurance will provide explosion, collapse and underground coverages where applicable.

material change. Owner shall be named as an additional insured on all certificates of insurance.

5. All work by Developer shall be subject to passing inspection by Owner's Engineer to assure that the work has been completed consistent with the approved plans and applicable standards. Developer shall pay for the cost of inspection within ten (10) days from the date of inspection.

6. Developer has previously submitted an application to construct the System Extension, and in that application made certain promises, representations and warranties. Said application is attached hereto as Exhibit "D," and by this reference incorporated herein. Developer specifically reaffirms said promises, representations and warranties contained in Exhibit "D."

7. Developer shall pay for any improvements to Owner's system required by the Owner's Comprehensive plan as determined by Owner's Engineer to serve the location set out in paragraph 1, above, or required by a governmental agency for Owner to serve System Extension.

8. Developer shall install water services as contemplated by the System Extension. Services shall be installed up through the saddle and service line as shown on Exhibit "E" by the Date of Acceptance, as defined herein, and Developer shall provide to Owner the meter setters and meter boxes and U branches as required for double services for each service or double service, as appropriate.

9. Developer shall furnish all necessary conveyances in form to be approved by the Owner, including, but not limited to: (1) a duly executed easement for access to the area around said System Extension for purposes of maintaining and repairing, if necessary, the System Extension either as dedicated on the recorded plat or by separate easement, a copy of which easement is attached hereto as Exhibit "F" if needed; and (2) a Bill of Sale in the form attached hereto as Exhibit "G."

10. From the Date of Acceptance of the System Extension, Owner shall, subject to approval by the Washington Utilities and Transportation Commission, maintain and operate the System Extension. Owner has no duty to accept the System Extension, or any portion thereof, if the System Extension does not pass inspection by Owner's Engineer or does not conform strictly to Owner's Conditions and Standards. As used in this Agreement, Date of Acceptance is the date that the last of the following events occurs: (1) payment by Developer of all sums owed by Developer under this Agreement or tariff; (2) delivery of all documents required under paragraph 9; or (3) the System Extension passing inspection by Owner's Engineer.

11. Nothing in this Agreement entitles Developer or Developer's successors or assigns to connect to Owner's water system, including System Extension, except in accordance with the terms, conditions and charges in Owner's tariff filed with the Washington Utilities and Transportation Commission.

12. Owner does not warrant delivery of any specific quantity or quality of water, and Owner's Standards and Conditions are designed to produce only the minimum state standards in effect at the time of this Agreement. Such standards may not be sufficient for large lots, some commercial developments, agricultural use or highly landscaped lots. Developer is relying on Developer's own knowledge to determine the adequacy of the System Extension to meet Developer's needs and those of Developer's assigns and successors in interest.

13. Developer shall pay One Thousand Nine Hundred Sixty-one Dollars (\$1,961.00) per residential equivalent (2 total ERUs) for which water service is proposed to be provided by the System Extension as a Developer Contingency Charge including federal income tax recovery. Payment of the sum of Three Thousand Nine Hundred Twenty-two Dollars (\$3,922.00) under this paragraph shall be due and payable within five (5) days of the date this Agreement is approved by the Washington Utilities and Transportation Commission, which approval may occur by the passage of time (thirty days after filing).

14. The value of the System Extension is taxable as a contribution in aid of construction. The effective tax rate is 26.5823%. The value of the System Extension is estimated to be SIXTY NINE THOUSAND Dollars (\$69,000). The estimated amount that Developer shall pay to Owner the sum of EIGHTEEN THOUSAND THREE HUNDRED FORTY ONE and 18/100TH Dollars (\$18,341.18) The final cost (the "Value") of the System Extension shall be agreed by Developer and Owner upon completion of the System Extension. Developer shall pay to Owner 26.5823% of the Value (the "CIAC Tax"). The CIAC Tax is be due and payable within five (5) days of the date the System Extension is found by Owner's engineer to be ready for delivery to Owner.

15. Developer shall pay to Owner upon signing of this Agreement, the sum of Two Thousand Dollars (\$2,000.00) develop this Agreement and submit this Agreement to the Washington Utilities and Transportation Commission for approval.

16. Developer shall design all irrigation and landscaping for open space or areas not part of a lot on which a single family residence will be constructed that may be part of the plat served by the System Extension to serve conservation goals. Design criteria shall be to use no more than eight hundred (800) gallons per irrigation ERU per day during peak season of May through September. The design criteria shall also be a usage criterion. The calculation of the eight hundred (800) gallon per ERU per day usage limitation shall be made on a monthly basis. Under this method of calculation, water that is not used in a month may not be saved or "banked" for use in a later month in the irrigation season. In addition, Developer agrees to adopt a "best practices" approach to the use of irrigation service. This best practices approach includes, but is not limited to, the following: (a) irrigation of grass areas at a rate of no more than one (1) inch per week; (b) sizing irrigation sprinklers and installing irrigation sprinklers to provide as near a uniform coverage of grass-landscaped areas as feasible; (c) not using watering practices that involve a "sponge" approach where water is applied in one area with the thought that it will eventually provide coverage of other areas through the water traveling over, through or under the ground; (d) not irrigating when the temperature is

forecasted to exceed ninety (90) degrees Fahrenheit; and (e) installing rain sensors at each irrigation location so that irrigation does not occur during or shortly after rainfall. Developer warrants that it will use its best efforts to meet these conservation goals. Notwithstanding anything to the contrary contained herein, all irrigation use is subject to the terms of Owner's tariff, including, but not limited to Owner's ability to limit or stop irrigation for periods of time.

17. This Agreement may be terminated by Owner, at Owner's discretion, upon ten (10) calendar days' written notice to Developer, if Developer fails to pay any amounts due under this Agreement when due. TIME IS OF THE ESSENCE IN THIS AGREEMENT.

If this Agreement is terminated under this provision, Owner shall have no obligation to provide service to Developer or Developer's successors or assigns, and Developer shall forfeit any rights in the System Extension.

18. Miscellaneous.

a. Jurisdiction. This Agreement is made with reference to and is intended to be construed in accordance with the laws of the State of Washington. The parties agree that the venue for any suit brought hereunder shall be laid exclusively in Pierce County, Washington.

b. Successors in Interest. This Agreement shall be binding upon and inure to the benefit of the successors, heirs, assigns and personal representatives of the parties.

c. Execution of Counterpart. This Agreement shall be executed separately or independently in any number of counterparts, each and all of which together shall be deemed to have been executed simultaneously and for all purposes be one agreement.

d. Construction. This Agreement shall not be construed more favorably to one

party over another, notwithstanding the fact that one party, or its attorney, may have been more responsible for the preparation of the document.

e. Attorney's Fees. In the event that any party hereto retains an attorney to enforce any of the provisions hereof, then the substantially prevailing party shall be entitled to reasonable attorney's fees incurred in both trial and appellate courts, or fees incurred without suit and all court and accounting costs.

f. Survival. All of the obligations (except to the extent performed), warranties and representations in this Agreement shall survive the closing.

g. Amendment. No modification, amendment, addition to, or termination of this Agreement nor waiver of any of its provisions shall be valid or enforceable unless in writing and signed by all parties, and further, no modification or amendments of specifications or approval of "approved equal" materials shall be valid or enforceable unless approved in writing by Owner's Engineer.

h. Waiver. No failure on the part of either party to exercise, and no delay in exercising, any rights hereunder shall operate as a waiver thereof; nor shall any waiver or acceptance of a partial, single or delayed performance of any term or condition of this Agreement operate as a continuing waiver or a waiver of any subsequent breach thereof.

i. Notices. Any notice provided for in this Agreement shall be deemed given if it is in writing and is personally delivered or sent by certified mail, postage prepaid, return receipt requested, and delivered or addressed as set forth below, or to such other address as the parties may hereafter designate by notice given in the same manner.

To Owner: RAINIER VIEW WATER COMPANY, INC.
P.O. BOX 44427
TACOMA, WA 98444

To Developer:

Thomas Oldfield
1212 S. Fernside Dr.
Tacoma, WA 98465

j. Effective Date. For purposes of transfer of the System Extension, and Owner's obligations herein, the effective date of this Agreement shall be thirty (30) days after this Agreement is filed with the Washington Utilities and Transportation Commission, unless this Agreement is suspended by the Washington Utilities and Transportation Commission, in which case the execution date shall be when the suspension is lifted.

19. The Owner's acceptance of the System Extension is subject to approval by the Washington Utilities and Transportation Commission which requires this Agreement to have been filed with it at least thirty (30) days prior to transfer of the System Extension (effective date of Agreement). Developer understands that any work done on the System Extension prior to Washington Utilities and Transportation Commission approval is done at its sole risk and Owner has no duty to accept said work. Developer further understands Washington Utilities and Transportation Commission approval is not automatic and Owner has not guaranteed or warranted such approval.

20. Other than for breach and termination under Paragraph 17, if Owner finds Developer to be in breach of any term of this Agreement, Owner shall provide Developer with notice of breach, setting out the nature of the breach. Developer shall cure said breach within thirty (30) days of receipt of notice, which receipt is deemed to occur three (3) business days after deposit of said notice in the U.S. mail, postage prepaid. If Developer fails to cure said breach within said thirty (30) days after receipt of notice, Owner, at its sole discretion, may terminate this Agreement at any time after the period for cure has passed. Upon termination, Owner shall have no further obligation of any nature to Developer or Developer's successors-in-interest.

21. To the extent allowed by law, the Developer shall hold Owner and its officers, agents, and employees harmless from all suits, claims or liabilities of any nature,

including attorney's fees, costs, and expenses for or on account of injuries or damages sustained by any persons or property resulting from negligent or willful activities or omissions of the Developer, its agents, employees, or on account of any unpaid wages or other remuneration for services or for failure to comply with Chapter 19.122 RCW ("dig-up laws") or any violation of county franchise requirements; and if judgment be rendered or settlement made requiring payment of damages by Owner, which damages are based in whole or in part on the negligent or willful activities or omissions of the Developer, its agents or employees, or on account of any unpaid wages or other remuneration for services or for a violation of Chapter 19.122 RCW or county franchise requirements, the Developer shall pay the same.

22. By signing this Agreement, Developer warrants that execution of this Agreement shall not put Developer in breach of any other agreement, including, but not limited to, financing or security arrangements.

23. OWNER HEREBY DISCLAIMS ALL EXPRESS AND IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR INTENDED PURPOSE, COURSE OF TRADE, AND COURSE OF DEALING.

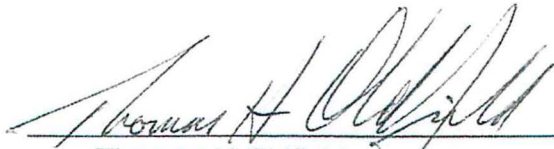
[Signatures on next page)

EXECUTED by the parties the date first written above.

OWNER: RAINIER VIEW WATER CO., INC.

By: 
Bob Blackman
Its: Manager

DEVELOPER:


Thomas H Oldfield

ADDENDUM TO WATER SYSTEM EXTENSION AGREEMENT

Developer and Owner agree that the Developer shall have and retain "late-comer" rights to the System Extension for a period of five (5) years after the completion of construction of the System Extension and its acceptance by Owner (the "Late-Comer Period").

There are eight (8) parcels that can connect to the System Extension; specifically parcels with the following tax parcel identification numbers: 0121262114, 0121262131, 0121262107, 0121262104, 0121262067, 0121262108, 0121262117 ^{plus} and 0121262118, 0121262095, 0121266005, and 0121262109 (the "Additional Parcels"). In the event that water service shall be provided to an Additional Parcel through the System Extension during the Late-Comer Period, Owner shall endeavor to have the owner of the Additional Parcel, as a condition of connecting to the System Extension, pay to Developer a late-comer payment of ~~\$8,934.10~~ ^{\$6872.40}, which is calculated based on the value of the System Extension of \$69,000.00, plus the federal income tax recovery of \$18,341.18, plus the document fee of \$2,000.00 for a total of \$89,341.18 divided by ~~ten~~ ^{thirteen} parcels (the Developer's two parcels and the eight Additional Parcels).

Owner shall not be liable to Developer in any way for failure to require said payment to Developer. It being Developer's sole duty and obligation to inform Owner of activity of new owner or owners of one or more Additional Parcels of activity that might trigger such payment to Developer. Owner may collect an administrative fee of Two Hundred Fifty Dollars (\$250.00) per payment, reducing the amount due Developer by that amount. The late-comer payment is not an obligation of Owner and is a voluntary act that has no adverse consequences if Developer is not paid.

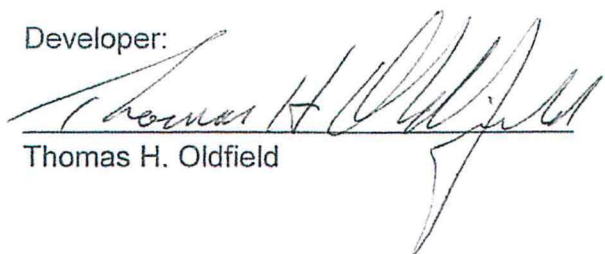
The right to payment created herein is personal to Developer and his heirs, successor, and assigns, and are not dependent on his continued ownership of property served by the water line extension.

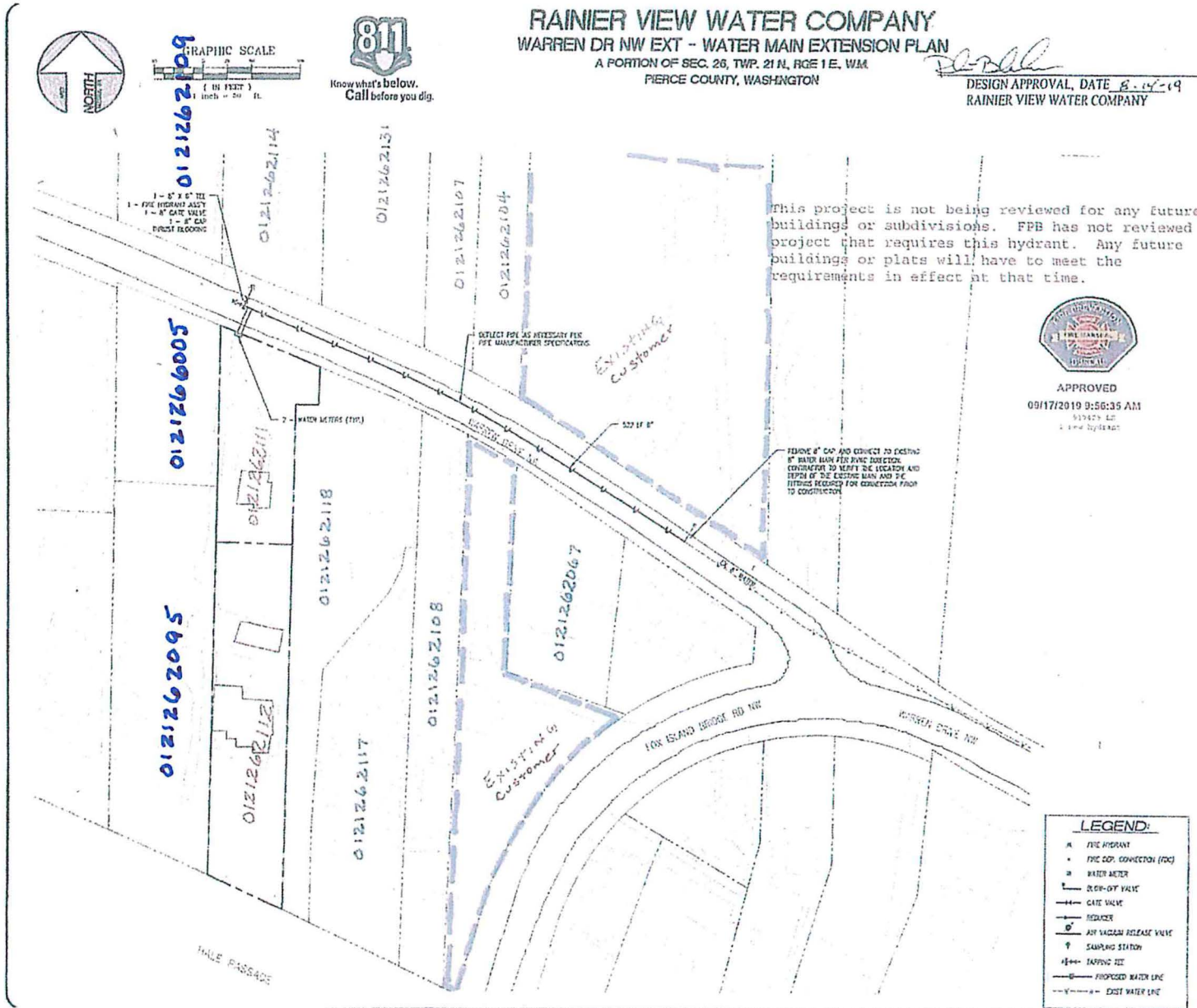
Dated: 1/13/2020.

Owner:
Rainier View Water Company


By: Bob Blackman
Its: Manager

Developer:


Thomas H. Oldfield



Dwg 1 "B"
 Exhibit B