



## WASHINGTON WATER SERVICE

### Water Availability Requests

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

June 19, 2020

Jeff Hogan  
Gig Harbor Capital Investors, LLC  
5312 Pacific Highway E  
Fife, Washington 98424

Re: Point Evans Water System, DOH ID# 68065U, Pierce County  
Water Main Extension Agreement for 22<sup>nd</sup> Ave NW Mini Storage Project,  
Located at: 3507 22<sup>nd</sup> Ave NW, Gig Harbor, Washington  
Parcel No. 0221217020

Dear Mr. Hogan:

This Water Main Extension Agreement (the "Agreement") is between Washington Water Service Company (the "Washington Water") and Gig Harbor Capital Investors, LLC, (the "Owner") to extend the existing watermain 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 extension of the existing watermain and the installation of 2 service connection(s) to the Point Evans Water System is projected to be \$29,200.00. 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 vary from the project costs provided due to unforeseen issues during the installation of the upgraded service line that are beyond the control of Washington Water.

#### Terms & Conditions

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 reviewed, and if required, submitted to the Washington State Department of Health for their approval. Once all necessary approvals have been obtained and payment of the total projected cost received, Washington Water will schedule and cause construction to commence.

The projected costs are for engineering review, construction materials, labor and any outside contracted services, 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 costs to complete the extension of the existing watermain and installation of a service connection(s).

Certificate(s) of Water Availability will not be issued until the extension of the existing watermain and the service connection(s) installed, pressure tested and certified complete by a licensed engineer; and payment for the work completed as outlined in this Agreement minus the pre-payment of our engineers projected cost as outlined in Attachment A. Our engineers total projected cost does not include a service connection fee of \$457.20\* for each service connection, as listed in Washington Water's approved tariff, this fee is billed separately from this Agreement and must be paid prior to installation of individual meters. All past due accounts will be charged 1.5% per month (18% per annum). The project costs as set forth in this Agreement are subject to change after (30) days of the above written date. *\*Note: The service connection charge at time of connection may vary from the charge listed in this agreement.*

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.

Once all construction has been completed, a certification of completion signed by a licensed engineer and all approvals received, the Owner is to provide Washington Water with a 20-foot wide Utility Easement along the waterline alignment, and a Bill of Sale transferring the ownership of these contributed facilities to Washington Water.

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 the 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 any deposit paid minus any billable work and non-refundable fees.

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

- Remit payment for engineering services, construction labor and inspection by Washington Water. Per Attachment A, the total projected cost for engineering is \$29,200.00. If a Water Capacity Reservation (WCR) letter was issued, the non-refundable deposit will be applied to the engineering services provided under this Agreement.
- Provide installing contract's name and contact information, along with copies of their Contractor's License, Certificate of Insurance (Contract 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:**

- Obtain approval from Washington Waters Engineering Department on water improvement plans and specifications.
- Provide installing contractor's name, insurance and license information.
- Materials must be on-site and inspected by Washington Water.
- Schedule a pre-con meeting, this meeting will not be scheduled until all required paperwork and deposits are received.

**DURING CONSTRUCTION:**


- Review status of project with Washington Waters Engineering Department.
- Provide Washington Water a copy of County ROW Permits.

**BEFORE TIE-IN OF NEW FACILITIES:**


- 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.
- Provide copies of recorded parcel map.
- Payment of the fee for Tie-in to the existing main to the Point Evans Water System.

If the terms and conditions are acceptable, please sign the signature line below and return this Agreement and the required deposit 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 D. Brown, P.E.  
General Manager

Accepted

By:   
Print Name: \_\_\_\_\_  
273 279 3238  
Phone: \_\_\_\_\_  
253  
Date Accepted: \_\_\_\_\_  
7/21/2020

Enclosure(s)

cc: Kanosi Chakweya, Accounting Manager  
Eric Williams, Construction Superintendent  
Sarah Castro, Interim Customer Service Manager  
John Puccinelli, Engineering Manager  
Shawn O'Dell, Operations Manager  
File1: Point Evans  
File2: EngFile# 3724



THIS CHECK IS VOID WITHOUT A BLUE BACKGROUND AND AN ARTIFICIAL WATERMARK ON THE BACK. HOLD AT ANGLE TO VIEW.

**Gig Harbor Capital Investors, LLC**  
5312 Pacific Hwy E  
Fife WA 98424

KeyBank  
5006 Pacific Hwy E  
Fife WA 98424

7128

**COPY**

\*\*\*\* TWENTY NINE THOUSAND TWO HUNDRED AND 00/100 DOLLARS

TO THE  
ORDER OF

07/29/2020

\$29,200.00\*\*

**Washington Water Service Company**  
PO Box 336  
Gig Harbor, WA 98335

*Acct No 022121000*



SIGNATURE IN A COLORED BACKGROUND BORDER CONTAINS MICROPRINTING