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Kathy Hill, Skagit County Auditor

6/12/2000 Page 1 of 8 11:49:48AM

After Recording Please Return To:

Skagit County Sewer District No. 2
17079 State Route 9
Mount Vernon, Washington 98274-9366
(360) 422-8373

Document Title(s): Developer Extension Agreement, Sewer

Reference Number(s) of Documents Assigned or Released: _____

Additional on page _____ of document.

Grantor(s): (Print Last name, First name, and Initials)

1. Brown, Mario

2. _____

3. _____

Additional on page _____ of document.

Grantee(s): Skagit County Sewer District No. 2

Legal Description (abbreviated: i.e. lot, block, plat of section, township, range): _____

Additional legal description is on page one of document.

Assessor's Property Tax Parcel / Account Number: 3882-000-006-0100/P64396

Additional Parcel Numbers for additional legals are on page ____ of document.

SKAGIT COUNTY SEWER DISTRICT NO. 2
Skagit County, Washington

DEVELOPER EXTENSION AGREEMENT

SEWER

The undersigned, this 19th day of May, 2000, hereinafter referred to as "Developer", hereby makes application to Skagit County Sewer District No. 2 in Skagit County, Washington, for permission to construct and install an extension in the public right-of-way under the District's franchise therefore, and/or on easements which are subject to the approval of the District, and to connect to the District's sewage collection system and makes the following representation and agreements, to-wit:

SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax

JUN 12 2000

Amount Paid \$ 0.00
Skagit Co. Treasurer
By DAV Deputy

1. LOCATION AND EXTENSION

The proposed extension will be installed in roads and/or easements and/or on other approved rights-of-way and shall be for the use and benefit of the property hereinafter legally described as follows:

Legal Description of Property:

NLY 52.79 FT OF LOT 6, CHEASTY'S
BIG LAKE TRACTS
P64396

2. DESCRIPTION OF EXTENSION AND OWNERSHIP

The proposed extension will consist of approximately 53 lineal feet of sewer pipe and appurtenances and shall be installed in accordance with plans and specifications approved by the District, and in accordance with the standards and conditions for constructing extensions to the sewer system adopted by the Board of Commissioners of the District, the terms and conditions of which are attached hereto and made a part hereof.

Developer represents, guarantees and warrants that it is the owner of said areas as above described.

3. FEES AND CHARGES

A. Administrative Fee - A fee of 20 percent* of all costs described under Project Deposit (Section 3.B.) to cover District administration costs, including recording fees, will be charged and shall be paid to the District prior to acceptance.

*The 20 percent fee does not apply to the design costs if design is done by the District's Engineer.

B. Project Deposit - All costs incurred by the District on this project shall be borne by the Developer. The Developer shall deposit a fee which shall be determined by the District after review of application. The fee shall be payment for the costs to be incurred by the District for inspection, engineering, legal, financial or other services performed by or for the



200006120108

District relating to this project. The Developer shall be responsible for the payment of all actual costs incurred by the District before the project is accepted by the District. The fee shall be paid to the District in consideration of the following work:

1. Prepare or review collection system plans and specifications
 2. Construction inspection
 3. Advice regarding the District requirements
 4. Completion of as-built drawings
- C. The remaining project deposit may be retained for one year after final acceptance, at which time all the unexpended fees will be returned to the Developer. This deposit will be used for warranty inspection and final acceptance procedures.
- D. Connection Charge - This represents the Developer's contribution to the existing sanitary sewer system and the District's Facilities. This can include a General Facilities Charge for each Residential Customer Equivalent (RCE) and a local facilities charge; i.e., front footage charge.
1. General Sewer Facilities Charge - Any application for sewer service facilities shall be subject to a general facilities charge of \$3,746 for each Residential Customer Equivalent (R.C.E.) to be located on said parcel or tract as defined in resolutions No. 160, No. 183, No. 238, No. 293 and any amendments thereto.
- The District will allow a credit against the general facilities charge to any Developer who is required to install a line larger than ten inches (10") in diameter for the additional cost of acquiring and installing such larger line over and above the cost of the ten inch (10") diameter line.
- Payment of the general facilities charge shall be made before construction begins. However, if the subject proposed development includes more than 50 RCE's, the Developer may pay one-half of the general facilities charge prior to construction with the remaining balance due 180 calendar days from the start of sewer construction or prior to final acceptance of the extension by the District, whichever occurs first.
2. Local Sewer Facilities Charge - Depending on the location and layout of the proposed project, a Local Facilities Charge may be due. This will be determined by the District during the Developer Extension Agreement process. Payment shall be made prior to construction.
- E. System Isolation Deposit - Prior to starting construction, a \$1,000 system isolation deposit shall be paid to the District. The isolation device shall be in place and inspected by the District prior to the start of construction. It shall remain in place and be functional during construction and shall not be removed without the authorization of the District. If the above stipulations are not adhered to, the \$1,000 deposit shall be forfeited.

F. Guarantee Deposit - Developer shall, prior to Construction, deposit with the District a Guarantee Deposit of \$750, to be held by the District until final inspection and approval of the Developer Extension by the District and for one year after the project has been accepted by the District. When a lift station is involved, the Guarantee Deposit shall be increased to an amount to be determined by the District based on the size of the project. The District may, at any time during the one year following acceptance, use any part or all of the Guarantee Deposit to reimburse the District for expenses incurred for breach of warranty or guarantee or for damage to property of the District or any person or entity, and is not the District's exclusive remedy for Developer's breach of this paragraph or any provision of the Agreement. This deposit shall:

1. ensure strict compliance with the District's standards, specifications and conditions;
2. reimburse the District for any damage to its existing system or the proposed Developer Extension as a result of Developer's failure to properly perform under this Contract;
3. reimburse the District for any and all necessary repairs to the system or restoration of other properties if the Developer does not, within twenty-four (24) hours after notice from the District of the need for repairs, make such repairs.

4. PAYMENT - SECURITY OF FEES

The Project Deposit described in paragraph 3.B. shall be paid by the Developer to the District as follows:

- A. One-half (1/2) of the fee at the time the Agreement is made.
- B. Additional one-half (1/2) of the fee will be paid before construction begins.
- C. Final costs not covered by the original fee before the sewer system extension is accepted by the District.
- D. All of the charges detailed herein shall be and become a lien on the property described in Paragraph 1 hereof.

5. ENGINEERING SUBMITTALS

- A. The Developer shall furnish two (2) copies of the proposed plat map to a scale of 1 inch = 100 feet or 1 inch = 50 feet with contour intervals of 5 feet or less, and proposed road profile sheets prior to the District's ordering of engineering design or plan review from its engineer. Final plat map shall be furnished as soon as possible. The Developer shall also provide the description, location and elevation of all bench mark data available on the project site and this information, wherever possible, shall be indicated on the maps furnished by the Developer. The datum used shall be the District's and not an assumed datum.



200006120108

Kathy Hill, Skagit County Auditor

6/12/2000 Page 4 of 8 11:49:48AM

6. DESIGN AND CONSTRUCTION

The design and construction of the gravity sewer line shall be subject to standards of design and construction set forth in the Districts "Developer Project Manual" and other related standards, as interpreted by the District's engineers.

The Developer acknowledges receipt of the District's "Developer Project Manual", the contents of which are hereby incorporated by reference.

7. EVIDENCE OF INSURANCE

See Section 15 of the General Conditions (Section 00700 of the Developer Project Manual) for insurance requirements.

8. PERFORMANCE BOND

See Section 16 of General Conditions (Section 00700 of the Developer Project Manual) for performance bond requirements. The District may accept a refundable cash deposit, amount to be determined by the District, in lieu of the performance bond.

9. MAINTENANCE BOND

In addition to the cash deposit or performance bond required by item 8 hereof, the Developer shall provide a maintenance bond in the amount of fifteen percent (15%) of the construction costs attributable to any pump stations required to be installed. Said bond shall guarantee maintenance for one (1) year after acceptance of the extension by the District and shall be in a form acceptable to the District.

10. EASEMENTS

Any required easements shall be obtained by the Developer at his sole cost and expense. The easement legal description shall be prepared by a licensed professional surveyor and shall bear his seal. The District engineer will place the easement on the proper form and it will be returned to the Developer for signature. Where applicable, the Developer shall provide an easement compatible with the District's Comprehensive Sewer Plan to insure continuation of the sewer line. At the completion of construction and prior to the District accepting the sewer extension, a final signed easement shall be delivered to the District by the Developer.

Easements required for intervening properties shall be obtained by the Developer prior to construction start.

11. PERMITS

All the necessary permits shall be obtained by the Developer. The District shall be provided with a copy of all such permits before construction begins.



2000-06120108
Kathy Hill, Skagit County Auditor
6/12/2000 Page 5 of 8 11:49:48AM

12. GRADING OF ROADS

Developer shall grade all roads to the design subgrade elevation prior to the start of construction and shall advise the District in writing of any changes which may be contemplated during construction. If the Developer changes the subgrade elevation of the road after completion of the extension, or any part thereof, the Developer shall be responsible for all costs incurred for the extension as a result of said change in subgrade elevation. This obligation shall remain in full force until Skagit County or other municipality releases the right-of-way or road construction bond or bond of other description in connection with the Developer's obligation for completion of the roads within the area.

13. MAINTENANCE OF CORRECT GRADES

The Developer shall maintain the design slope between manholes and shall check all intermediate grade stakes by means of a taut grade wire between at least three intermediate grade stakes. The use of a laser for maintaining pipe slope does not preclude the use of grade stakes or the checking of said stakes. In the event that the grade stakes do not line up, the work shall be stopped until the situation is corrected. The Developer shall make certain that all sewer slopes toward the connection to the existing sewer and that all sewers run at a constant grade and alignment between manholes.

14. CONNECTION TO THE DISTRICT'S SYSTEM

Not less than 48 hours prior to the time that the Developer desires connection to the District's System, written application for permission to make the actual connection at a specified time shall be made by the Developer. All new connections to the existing system and all testing of the new line shall require authorization of the District and shall be conducted in the presence of the District's representatives. A tightline bypass or grouted plug shall be used at the connection point to the existing sewer.

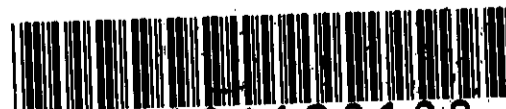
15. FINAL ACCEPTANCE

The District agrees to accept title to the extension when all work has been completed and when the District has made final inspection and given approval of the system as having been completed in accordance with the plans and specifications. Acceptance of said extension shall be by resolution of the Board of Commissioners, upon receipt of a completed, executed conveyance of sewer facility and payment in full of all fees and charges.

16. CONVEYANCE OF SEWER FACILITY

Developer agrees to execute a conveyance of sewer facility (bill of sale) approved by the attorney for the District within sixty (60) days of the approved and completed sewer extension. Said conveyance will provide for transfer of title of the constructed extension from the Developer to the District and will further include the following items and statements:

- A. Cost including administration, legal and engineering fees, for the sewer line installation.



200006120108

Kathy Hill, Skagit County Auditor

- B. The Developer is the lawful owner of said property and it is free from all encumbrances.
- C. That all bills for labor and material have been paid.
- D. The Developer has the right to transfer said title and will warrant and defend the same against lawful claims and demands of all persons from one (1) year from the date of the conveyance of sewer facility.
- E. Consideration will be recited that Developer grants the extension to District for the consideration of incorporating the system in the overall sewer system of the District.
- F. Developer further warrants that for a period of one (1) year from the date of the conveyance of sewer facility that the sewer facility that the sewer system will remain in working order and condition except where abused or neglected by the District and the Developer will repair or replace at his own expense any work or material that may prove to be defective during said one (1) year period of warranty.

17. PAYBACK AGREEMENT EXECUTION AND RECORDING

Following receipt of the conveyance of sewer facility as heretofore described, the District agrees to execute and record a payback agreement pursuant to the terms of RCW 35.91, et seq. Said payback agreement will provide as follows:

- A. The parties agree to be bound pursuant to the terms of the "Municipal Water and Sewer Facilities Act." RCW 35.91.010, et seq.
- B. The Developer has constructed and installed the sewer line in the general vicinity (describe the vicinity) as portrayed by a map attached and made a part of the payback agreement.
- C. That said conveyance of sewer facility has been attached to the payback agreement.
- D. That the line has been accepted by the District and that the Developer will be supplied with sewer service at the rate established by the District for their class of service.
- E. That the payback agreement will continue for a period of ten (10) years from the date of the agreement wherein the District will agree to reimburse the Developer and his assigns in accordance with the agreement the pro-rata share of the construction of said sanitary sewer line.
- F. The owner of real estate who subsequently taps into or uses the sewer facilities constructed pursuant to this agreement, or laterals or branches connecting thereto, will be charged a fair pro-rata share of the costs of the construction of these sewer facilities.
- G. No person, firm or corporation shall use the sewer facilities or extensions thereof during the period of time prescribed in such contract without first paying to the District the full amount required by the provisions of the

contract. All amounts so received by the District shall be paid out by it under the terms of that contract within sixty (60) days after the receipt thereof.

18. RESPONSIBILITY FOR PROJECT MANAGEMENT

The Developer shall be responsible for project management and coordination. Project management includes but is not limited to overall project coordination, utility and road locations and elevations and conflicts of said.

19. AGREEMENT OF RESTRICTION

This agreement is intended to be an Agreement of Restriction encumbering the said development as legally described in Paragraph 1 above, until such performance by Developer of all of the terms and conditions contained herein including any and all payments, required to be made to District for payment of connection charges and any other obligations from Developer to District.

20. OTHER AGREEMENTS

Developer shall, under no circumstances, make and/or enter into any agreements or contracts with other property owners, whether within or without the confines of the Skagit County Sewer District No. 2, concerning sewer services to their properties, without prior written consent of the District

21. CONVEYANCE OF TITLE

That in the event the Developer conveys title to the subject tract prior to connection of any lot or lots, then, in that event, it shall be the full responsibility of the Developer to locate the existing sewer stub for any subsequent owners or developers.

22. BINDING

This agreement is binding on the heirs, successors and assigns of each of the parties hereto.

24. AGREEMENT

I, Mario Brown, the owner of the herein described property have read and accept the terms and conditions set forth in this application.

MARIO BROWN / BROWN & SONS, INC.

SKAGIT COUNTY SEWER DISTRICT NO. 2

Upon compliance with the terms and conditions of this Agreement by the above-named Developer, Skagit County Sewer District No. 2 will accept said extension and furnish sewer service thereto.

By: Eugene W. Johnson
Secretary,
Board of Commissioners
Skagit County Sewer District No. 2



200006120108

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6/12/2000 Page 8 of 8 11:49:48AM