

EXHIBIT B WATER USERS AGREEMENT

WATER SYSTEM NAME: Hovenden/Yeates

OWNERSHIP OF THE WELL AND WATERWORKS

It is agreed by the parties that each of said parties shall be and is hereby granted an undivided one-half interest in and to the use of the well and water system to be constructed. Each party shall be entitled to receive a supply of water for one residential dwelling and shall be furnished a reasonable supply of potable and healthful water for domestic purposes.

COST OF WATER SYSTEM CONSTRUCTION

Both parties herein agree to share equally in the cost incurred in well site approval, well construction, design of the water system for approval by the Health Officer, and construction and/or installation of the waterworks equipment, the pumphouse and water distribution pipes, and initial well water quality tests.

WATER SYSTEM DESIGN

This water system is designed to provide for 2 services. The design of the system is based on 1000 gallons internal use per service per day and 1500 gallons external use per service per day. Additional planning and design approvals must be obtained from the department prior to expanding beyond this number of services or whenever there are changes made to the system, such as adding a treatment system.

COST OF MAINTENANCE OF WATER SYSTEM

Each party hereto covenants and agrees that they shall equally share the maintenance and operational costs of the well and water system herein described. The expense of water quality sampling as required by the State of Washington and <u>Skagit</u> county shall be shared equally by both parties. The parties shall establish and maintain a reserve account at a mutually agreed upon banking institution. Each party shall be entitled to receive an annual statement from said banking institution regarding the status of the reserve account. The monetary funds in the reserve account shall be utilized for the sole purpose of submitting water samples for quality analysis and maintaining, repairing or replacing the well and common waterworks equipment or appurtenance thereto.

EASEMENT OF WELL SITE AND PUMPHOUSE

There shall be an easement for the purpose of maintaining or repairing the well and appurtenances thereto, within 30 feet of the well site in any direction. Said easement shall allow the installation of well house, pumps, water storage reservoirs, pressure tanks, and anything necessary to the operation of the water system.



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WATER LINE EASEMENTS

Yeates grants Yeates an easement for the use and purpose of conveying water from the well to the property of Yeates. Said easement shall be five (5) feet in width and shall extend on, over, across, and underneath said strip of land from designated well site to common point as referred to. The centerline of said five (5) foot strip of land shall follow the existing water line from well to reservoir and the shortest distance from Yeates' to Yeates' herein described. No permanent type of building shall be constructed upon the water line easement except as needed for the operation of the well and water system.

MAINTENANCE AND REPAIR OF PIPELINES

All pipelines in the water system shall be maintained so that there will be no leakage or seepage, or other defects which may cause contamination of the water, or injury, or damage to persons or property. Pipe material used in repairs shall meet approval of the Health Officer. Cost of repairing or maintaining common distribution pipelines shall be born equally by both parties. Each party in this agreement shall be responsible for the maintenance, repair, and replacement of pipe supplying water from the common water distribution piping to their own particular dwelling and property. Water pipelines shall not be installed within _____ feet of a septic tank or within 10 feet of sewage disposal drainfield lines.

PROHIBITED PRACTICES

The parties herein, their heirs, successors and/or assigns, will not construct, maintain or suffer to be constructed or maintained upon the said land and within 100 feet of the well herein described, so long as the same is operated to furnish water for public consumption, any of the following: septic tanks and drainfields, sewerlines, underground storage tanks, county or state roads, railroad tracks, vehicles, structures, barns, feeding stations, grazing animals, enclosures for maintaining fowl or animal manure, liquid or dry chemical storage, herbicides, insecticides, hazardous waste or garbage of any kind. The parties will not cross connect any portion or segment of the water system with any other water source without prior written approval of the County Department of Public Health and/or other appropriate governmental agency.

WATER SYSTEM PURVEYOR

Yeates is designated "Purveyor" of the water system. The purveyor shall be responsible for arranging submission of all necessary water samples as required in the Washington Administrative Code, and <u>Skagit</u> County Rules and Regulations No.______ and handling emergencies such as system shutdown and repair. The purveyor shall provide his/her name, address and telephone number to the Health Officer and shall serve as a contact person to the Health Officer. The purveyor shall organize and maintain the water system records and notify the Health Officer and all parties, service connections and lots that are included in this agreement, of the water quality tests that are required by WAC 246-291 and <u>Skipsin</u> County Rules and Regulations No._____. Water system records shall be available for review and inspection by all parties in this agreement and the Health Officer.

PROVISIONS FOR CONTINUATION OF WATER SERVICE

The parties agree to maintain a continuous flow of water from the well and water system, herein described in accordance with public water supply requirements of the State of Washington and



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County. In the event that the quality or quantity of water from the well becomes unsatisfactory as determined by the Health Officer, the parties shall develop a new source of water. Prior to development of, or connection to a new source of water, the parties shall obtain written approval from the Health Officer. Each undivided interest and/or party shall share equally in the cost of developing the new source of water and installing the necessary equipment associated with the new source.

FUTURE MANAGEMENT

Approval of this public water system by the health jurisdiction was conditioned by future management or ownership by a state approved Satellite Management Agency. Health jurisdictions may enforce this provision if the system is not able to meet financial viability or other operating requirements.

RESTRICTION ON FURNISHING WATER TO ADDITIONAL PARTIES

It is further agreed by the parties hereto that they shall not furnish water from the well and water system herein above described to any other persons, properties or dwelling without prior consent of both properties and written approval from the County Department of Public Health

RESTRICTION ON WATER USE

State water right laws prohibit this system from using more than 5000 gallons of water on any day. Also, the total amount of property which can be irrigated by the system cannot exceed 1/2 acre. In order to remain in compliance, the following parcel $\underline{P + 9 + 9}$ is prohibited from using more than $\underline{2500}$ gallons of water on any given day. Further, the total amount of yard, garden and other irrigation uses, by this property, cannot exceed $\underline{20,990}$. square feet.

HEIRS, SUCCESSORS AND ASSIGNS

These covenants and agreements shall run with the land and shall be binding on all parties having or acquiring any right, title, or interest in this land described herein or any part hereof, and it shall pass to and be for the benefit of each owner thereof.

ENFORCEMENT OF AGREEMENT ON NON-CONFORMING PARTIES AND PROPERTIES

The parties herein agree to establish the right to make reasonable regulations for the operation of the system, such as the termination of service if bills are not paid within forty-five days of the due date, additional charges for disconnection, reconnection, etc. Parties not conforming with the provisions of this agreement shall be subject to interest charges of _12% per annum together with all collection fees.



INDIVIDUAL ACKNOWLEDGMENT

STATE OF WASHINGTON, County of <u>Shaq</u> + I certify that I know or have satisfactory evidence that <u>Uictoriq</u> <u>Shaqtes</u> is/are the person(s) who appeared before me, and said person(s) acknowledged that <u>She</u> signed this instrument and acknowledged it to be free and voluntary act for the uses and purposes mentioned in the instrument. Dated this <u>10</u> (day of <u>10</u> (2000) BHARON R. ANTHONYD NoTARY PUBLIC Ny tormusation Expires 9-62005 State of WASHINGTON Ny appointment expires: <u>916-3005</u> <u>COOLEOS 100002</u> Skagit County Auditor Strip Coole and State of <u>8</u> 342AM		
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is/are the person(s) who appeared before me, and said person(s) acknowledged that <u>see</u> signed this instrument and acknowledged it to be free and voluntary act for the uses and purposes mentioned in the instrument. Dated this <u>see</u> day of <u>sec</u> 2002 SHARON R. ANTHONY STATE OF WASHINGTON NOTARY PUBLIC Wy Commission Expires 9-6-2005 My appointment expires: <u>9-6-3005</u> My appointment expires: <u>9-6-3005</u> <u>20205100002</u> Skagit County Auditor S/10/2002 Page 5 of <u>6</u> 8:42AM		
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Lots 1 and 2, Short Plat No. 99-0031, approved November 19, 2001, recorded November 20, 2000, under Auditor's File No. 20011120077, and being a portion of the Northeast % of the Northeast % of Section 24, Township 36 North, Range 3 East, W.M., and a portion of Government Lots 1, 2, and the Southeast % of the Northwest % of Section 19, Township 36, 4 East, W.M.

TOGETHER WITH a non-exclusive easement for ingress, egress and utilities over, under across and through Fox Hollow Lane, as shown on the face of said Short Plat.

Situate in the County of Skagit, State of Washington

