

Appendix D
Intertie and Interagency Agreements

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AGREEMENT FOR INTERTIES AND 297 TANK LEASE

THIS AGREEMENT is made by and between the Sammamish Plateau Water and Sewer District, a municipal corporation, in King County, Washington ("District"), and the City of Issaquah, a municipal corporation, in King County, Washington ("City") for the purposes set forth herein.

SECTION I: RECITALS

1.1 District provides water service to the geographic area known as the Sammamish Plateau, King County, Washington. City provides water service to the City of Issaquah, King County, Washington. A portion of District's southern corporate boundary is located adjacent to City's corporate boundary.

1.2 District and City desire to obtain supplemental water supply for redundancy, fire flow augmentation and other emergency purposes. District and City are willing to allow interties between District and City water systems for such purposes subject to certain terms and conditions. District is further willing to provide City with an additional water by leasing water stored in a District water storage tank subject to certain terms and conditions.

1.3 District and City are authorized by RCW Chapter 39.34 to enter into interlocal agreements for joint action.

In consideration of the terms and conditions contained herein, the parties now agree as follows:

SECTION II: 1ST AVENUE N.E. INTERTIE

2.1 District and City agree to provide each other with an emergency standby source of water through an intertie connection between District and City water systems at the location described and depicted on Exhibit "A" attached hereto, commonly known as District's Corrosion Control Facility. This connection shall be an emergency standby connection, and water shall only be drawn through this point when an emergency occurs. An emergency shall be considered any event that requires District's or City's water supply to be augmented on a temporary emergent basis.

2.2 District or City shall notify the other party in writing at least three (3) business days in advance of the date either party desires to receive water through the intertie. In case of emergency need, District or City shall provide water immediately upon oral notification of such emergency. Follow-up written notice of such emergency request shall be made by District or City to the other party with five (5) days of the commencement of such use.

2.3 The intertie is constructed and owned by District. The intertie is capable of being place into operation at any time.

2.4 Water supplied by District and City through the intertie will be untreated.

2.5 District and City shall use reasonable efforts to provide an uninterrupted supply of water. Neither party shall be liable for any shortage or interruption in the delivery of water. In addition, neither party shall be liable for any failure, interruption, or shortage of water, or any loss or damage resulting therefrom occasioned by any cause beyond the control of either party. District and City do not guarantee the availability of water through the intertie at all times because of each parties' respective needs and water demand. Further, during critical water shortage periods as determined by either party, District or City may close the intertie until sufficient water supply exists to make such available for use by either party. In the event District or City declares and/or imposes water usage restrictions within their boundaries, District and City agree to adopt and impose water usage restrictions no less restrictive than those adopted by the other party as a pre-condition to receiving water through the intertie.

2.6 All water delivered under this agreement may only be resold to members/customers within the parties' respective water service boundary for use therein.

2.7 District shall measure all water delivered through the intertie by metering equipment owned by the District. District and City will monitor the water flow measurements. District shall own, operate, and maintain the intertie up to the City side of the intertie vault. City shall own, operate, and maintain any water line from the City side of the intertie vault to the City water system. District shall be responsible for the flushing of such intertie water line as reasonably necessary to ensure water quality.

2.8 Only District personnel shall operate the intertie valve. City shall notify District when there is a need for emergency intertie water supply; in such event, District's personnel shall operate the valves for opening and closing the intertie.

2.9 In the event that District or City receive water through the intertie, both parties agree to replenish or replace the same volume of water received and delivered from the intertie to the other party within seventy-two (72) hours of the time of receipt. In the event such water delivered is not replaced by the receiving party within such period, the party receiving such water shall pay the other party for such water delivered at the commercial commodity rate charged by the party delivering such water. The party delivering such water shall bill the party receiving such water monthly for the amount of water delivered. The party receiving such water shall pay the other party within sixty days (60) days of the date of such billing. Any billings not paid by the party within such sixty-day period, shall accrue interest at the rate of twelve percent (12%) per annum until paid.

SECTION III: S.E. 56TH STREET INTERTIE

3.1 District agrees to provide City an emergency standby source of water through an intertie connection between District and City water systems to be constructed at the location described and depicted on Exhibit "B" attached hereto. This connection shall be an emergency standby connection, and water shall only be drawn through the intertie when an emergency occurs. An emergency shall be considered any event that causes City's water pressure to drop below thirty (30) psi at the intertie location as a result of fire flow, water line failure, or reduced water supply.

3.2 City agrees to provide District an emergency standby source of water through an intertie connection between District and City water systems to be constructed at the location described and depicted on Exhibit "B" attached hereto. This connection shall be a manual bypass system which will allow City water to flow to District. Water shall only be drawn through the intertie when an emergency occurs. An emergency shall be considered any event that requires water supply to be augmented on a temporary emergent basis.

3.3 District shall notify City in writing at least three business (3) days in advance of the date District desires to receive water through the intertie. In case of emergency need, District or City shall provide water immediately. Follow-up written notice of such emergency need or request shall be made by District or City to the other party within five (5) days of the commencement of such use.

3.4 The intertie will be constructed, installed and owned by City in conjunction with the S.E. 56th Street improvements which are scheduled to be installed in 1993.

3.5 The intertie is primarily a one way intertie with treated water being supplied by District to City. However, in the event that District receives water from City through the intertie, any water provided by City to District will be untreated.

3.6 District and City shall use reasonable efforts to provide an uninterrupted supply of water. Neither party shall be liable for any shortage or interruption in the delivery of water. In addition, neither party shall be liable for any failure, interruption, or shortage of water, or any loss or damage resulting therefrom occasioned by any cause beyond the control of either party. District and City do not guarantee the availability of water through the intertie at all times because of each parties' respective needs and water demand. Further, during critical water shortage periods as determined by either party, District or City may close the intertie until sufficient water supply exists to make such available for use by either party. In the event District or City declares and/or imposes water usage restrictions within their boundaries, District and City agree to adopt and impose water usage restrictions no less restrictive than those adopted by the other party as a pre-condition to receiving water through the intertie.

3.7 All water delivered under this agreement may only be resold to members/customers within the parties' respective water service boundary for use therein.

3.8 City shall measure all water delivered through this intertie by metering equipment owned by City. District and City will monitor the water flow measurements. City shall own, operate, and maintain the intertie up to the District side of the intertie vault. District shall own, operate, and maintain any water line from the District side of the intertie vault to the District water system. City shall be responsible for the flushing of such intertie water line as reasonably necessary to ensure water quality.

3.9 Only City personnel shall operate the intertie valve. District shall notify City when there is a need for emergency intertie water supply; in such event, City personnel shall operate the valves for opening and closing the intertie.

3.10 In the event that District or City receive water through the intertie, both parties agree to replenish or replace the same volume of water received and delivered from the intertie to the other party within seventy-two (72) hours of the time of receipt. In the event such water delivered is not replaced by the receiving party within such period, the party receiving such water shall pay the other party for such water delivered at the commercial commodity rate charged by the party delivering such water. The party delivering such water shall bill the party receiving such water monthly for the amount of water delivered. The party receiving such water shall pay the other party within sixty days (60) days of the date of such billing. Any billings not paid by the party within such sixty-day period, shall accrue interest at the rate of twelve percent (12%) per annum until paid.

SECTION IV: 297 TANK LEASE

4.1 District agrees to provide City an additional emergency standby source of water by leasing to City water stored in a District water tank, commonly referred to as the 297 Tank, at the location described and depicted on Exhibit "C" attached hereto. This water source shall be an emergency standby reserve, and water shall only be drawn from the 297 Tank when an emergency occurs. An emergency shall be considered any event that causes City's water pressure to drop below thirty (30) psi at the S.E. 56th Street intertie location as a result of fire flow, water line failure, or reduced water supply.

4.2 The total storage capacity of the 297 Tank is 2.25 million gallons. District agrees to lease to City up to one half (1/2) of the total tank storage capacity, or up to 1.125 million gallons of water. If the 297 Tank is filled to capacity at the time City requests water from District, City shall be entitled to receive up to 1.125 million gallons of water. In the event the 297 Tank is not filled to its maximum capacity at the time City requests water from District, City shall only be entitled to receive water in the amount of one half (1/2) of the 297 Tank's capacity at the time of City's request; provided, however, in the event of a fire flow emergency, such limitation shall not apply.

4.3 All water provided by District to City from the 297 Tank will be treated.

4.4 City shall notify District in writing at least three (3) business days in advance of the date City desires to receive water from District's 297 Tank. In case of emergent fire flow need by City, District shall provide water immediately. Follow-up written notice of such emergency use shall be made by City to District within five (5) days of the commencement of such use.

4.5 Because any water delivered by District to City from the 297 Tank shall be transferred to the City through the intertie(s) referenced in Sections II and III herein, City's obligation to replace or pay for such water shall be governed by Paragraphs 2.9 and 3.10 herein.

4.6 In addition to payment for water used pursuant to Paragraph 4.5 above, City shall pay District \$2,047 per month for fire protection use (fire protection use rate) of the 297 Tank, regardless of the amount of water used by City per month. The fire protection use rate, or as such may be adjusted as provided herein, shall be paid by City to District annually, the first such cumulative payment being due and payable one year from the effective date of this agreement. Any lease rate due and owing District not paid by City within 45 days of such date and successive annual payment dates thereafter shall accrue interest at the rate of 12 percent (12%) per annum until paid; further, in addition to all other legal rights and remedies District may have in the event of City's nonpayment, in the event of City's failure to make such payment within forty-five (45) days of notice from District of such nonpayment, District may thereafter terminate the lease immediately upon 45 days written notice of such termination.

The fire protection use rate set forth herein shall be automatically adjusted every three years, such three-year period commencing from the effective date of this agreement based on the "all urban" consumer price index for the Seattle/Tacoma area (CPI rate); provided that such CPI rate shall be compounded annually to determine the CPI rate adjustment every three years. The base CPI for the purposes of this Agreement shall be the CPI index as published by the U.S. Department of Labor for the "all urban" consumer price index for the Seattle/Tacoma area for the month of January 1994. Provided, however, that in the event the CPI rate increases in an amount greater than 10 percent (10%) in any year, the fire protection use rate set forth herein or as such rate may be adjusted as provided herein, shall be automatically adjusted based on such CPI rate effective for the following year. In such case, a new three-year period for the purposes of adjusting the fire protection use rate shall commence upon the effective date of such new CPI rate.

4.7 The term of the 297 Tank lease shall commence upon the effective date of this Agreement and shall continue for a period of 25 years, provided, however, either may cancel and terminate the tank leasehold upon giving two years advance written notice to the other party.

4.8 District shall use reasonable efforts to provide an uninterrupted supply of water from the 297 Tank. District shall not be liable for any shortage or interruption in the delivery of water. In addition, District shall not be liable for any failure, interruption, or shortage of water, or any loss or damage resulting therefrom occasioned by any cause beyond

the control of District. District does not guarantee the availability of water from the 297 Tank at all times because of District's needs and water demand. Further, during critical water shortage periods as determined by District, District may suspend the delivery of water from the 297 Tank until sufficient water supply exists to make such available for use by City.

4.9 All water purchased and delivered to City under this agreement may only be resold to members/customers within City's water service boundary for use therein.

SECTION V: GENERAL PROVISIONS

5.1 Each party shall approve the terms and conditions herein by appropriate resolution or ordinance and provide the other party with a certified copy of same. Each party represents to the other that it has the full power and authority to enter into this Agreement.

5.2 In the event that either party commences any legal action relating to the provisions of this Agreement, the prevailing party shall be entitled, in addition to all other amounts to which it is otherwise entitled in this Agreement, to all costs of litigation, including but not limited to, costs, expert witness and reasonable attorney's fees, including all such costs and fees incurred on appeal.

5.3 District and City agree to hold harmless and indemnify the other party and its employees and agents from any and all claims, damages, costs, and other liabilities caused by the parties' sole negligence or the parties' concurrent negligence, but only to the extent of the parties concurrent negligence, and arising by reason of participation in connection with, or relating to, the performance of this Agreement. In addition, District and City agree to defend, indemnify, and hold the other party harmless from any and all claims, damages, costs, and other liabilities arising out of any use by District or City or its customers receiving or to have received water through the interties or 297 Tank, including emergency use for fire purposes and normal domestic use by any District or City customers which relate in any way to water supplied under this Agreement.

5.4 This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

5.5 Any notice to be given or any documents to be delivered by any party to any other shall be delivered in person or by certified mail and addressed to District or City at the following addresses:

To District at:

District Manager
1510 220th Avenue S.E.
Issaquah, WA 98027

With a courtesy
copy to:

John Milne
Inslee, Best, Doezie & Ryder, P.S.
Security Pacific Plaza
777 108th Avenue N.E., Suite 1900
Bellevue, WA 98009-9016

To City at:

Mayor, City of Issaquah
P. O. Box 1307
Issaquah, WA 98027-1307

With a courtesy
copy to:

Wayne Tanaka
Ogden, Murphy & Wallace
2100 Westlake Center Tower
1601 Fifth Avenue
Seattle, WA 98101-1686

5.6 No waiver by either party of any term or condition of this Agreement shall be deemed or construed as a waiver of any other term or condition, nor shall a waiver of any subsequent breach, whether of the same or of a different provision of this Agreement.

5.7 If any paragraph or provision of this Agreement is held to be invalid, the remainder of the Agreement shall not be affected, and shall remain in force and effect.

5.8 This Agreement shall take effect ("effective date") upon the ratification of this Agreement by both the District Board of Commissioners and the City Council of City.

5.9 This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and may be modified only by an agreement in writing signed by both parties.

5.10 Each party agrees to comply with all federal, state, and local regulations in the operation of its water system connected to the interties and 297 Tank which is the subject of this Agreement.

Approved as to Form

SAMMAMISH PLATEAU WATER AND SEWER
DISTRICT ("District")

District Legal Counsel

By *John W. Milne*
Its *General Counsel*
Dated *May 16, 1994*

By *Richard W. Muller*
Its *President*
Dated *May 16, 1994*

Office of the City Attorney

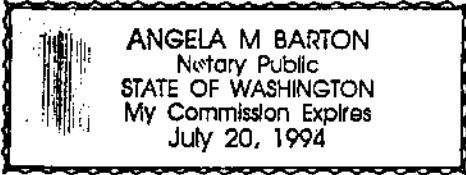
CITY OF ISSAQUAH ("City")

By *Carole Owen*
Its City Attorney
Dated 5-20-94

By *Karen Heid*
Its MAYOR
Dated 5-23-94

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Grifford W. Miller is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Commissioner of Sammamish Plateau Water and Sewer District, a municipal corporation, to be the free and voluntary act of such municipal corporation for the uses and purposes mentioned in the instrument.



Dated May 16, 1994
Angela M. Barton
Notary Public in and for the State
of Washington, residing at Maple Valley
My Appointment Expires 7-20-94

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____
is the person who appeared before me, and said person acknowledged that he signed this
instrument, on oath stated that he was authorized to execute the instrument and acknowledged
it as the _____ of the City of Issaquah, a municipal corporation,
to be the free and voluntary act of such municipal corporation for the uses and purposes
mentioned in the instrument.

Dated _____

Notary Public in and for the State
of Washington, residing at _____
My Appointment Expires _____

EXHIBIT "A"

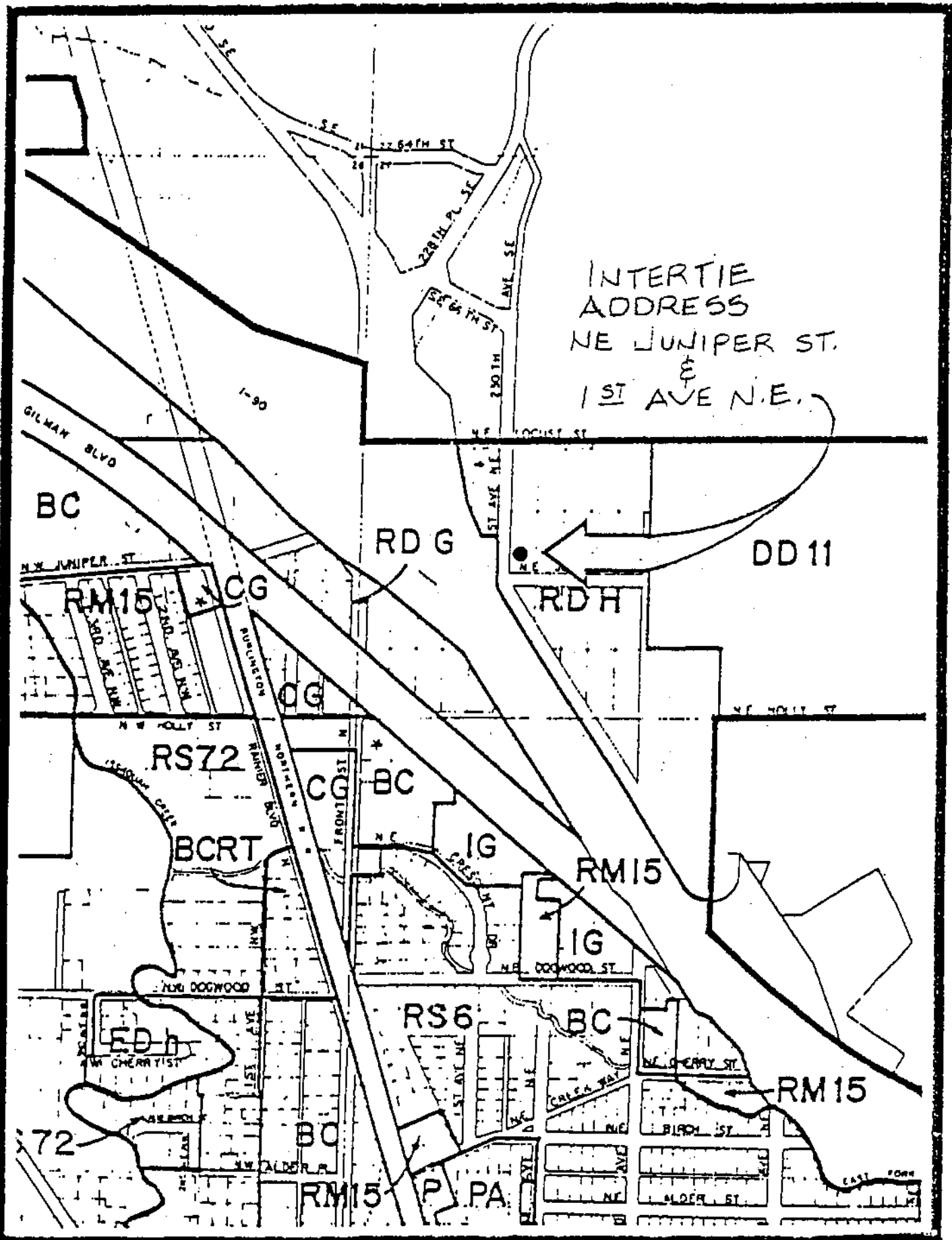
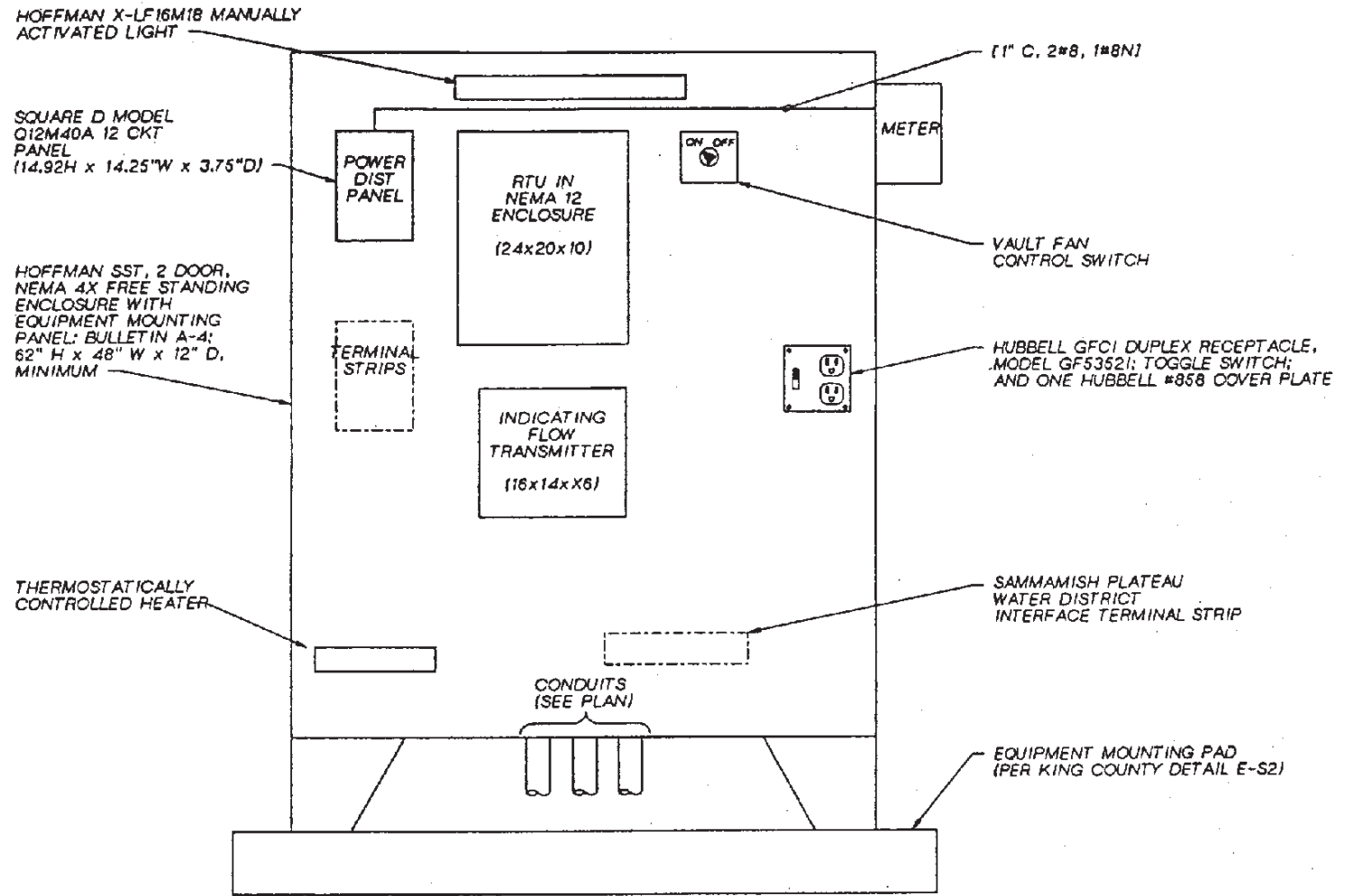
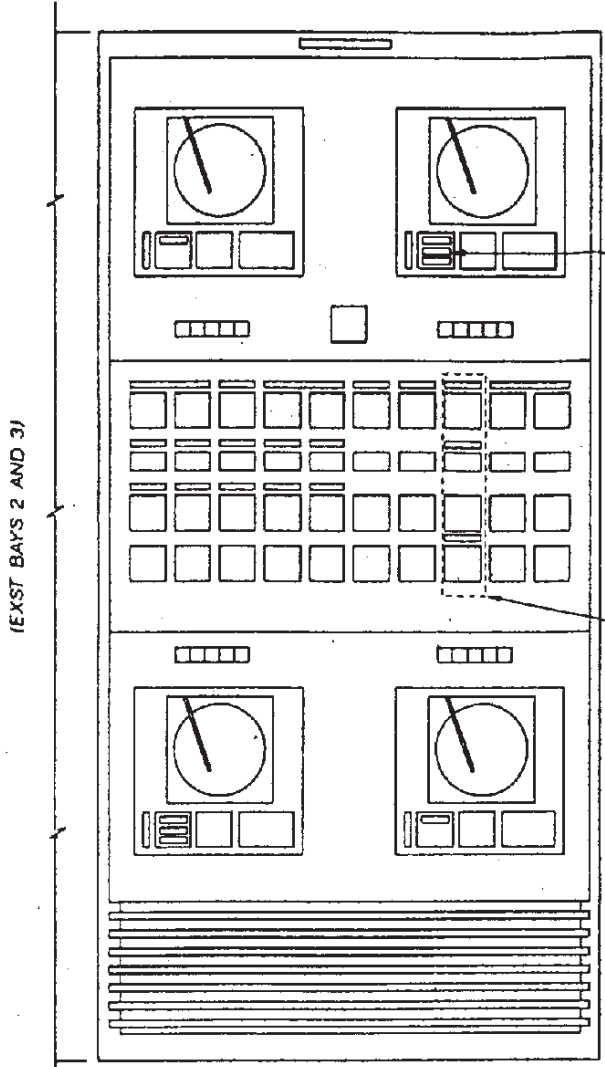


Exhibit J

LEVELS ON
 MASTER FILE
 LEVELS ON
 MASTER FILE
 LEVELS ON
 MASTER FILE
 LEVELS ON
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 LEVELS ON
 MASTER FILE



RTU ENCLOSURE
 NTS (AT METER VAULT, SEE DWG. D20)



EXST TONE RACKS A AND B

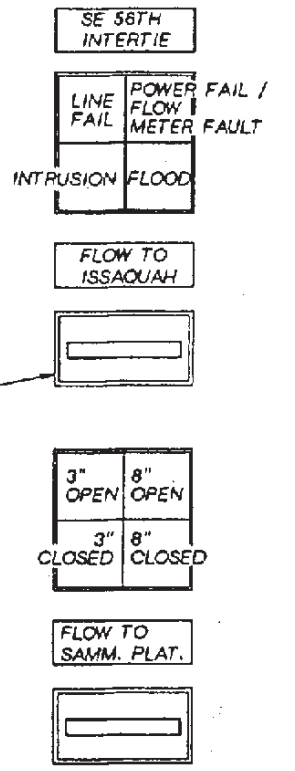
NOTE:
 REFER TO SECTION "ELECTRICAL AND INSTRUMENTATION & CONTROLS" SPECIFICATIONS FOR ADDITIONAL REQUIREMENTS FOR WORK IN THE FLOW METER VAULT, AND FLOW METER CONFIGURATION/SETUP.

HEADQUARTERS CONTROL PANEL MODIFICATIONS
 NTS

NEW NAMEPLATE (TYP 2)

SEE DETAIL NO. 1

TOTALIZER (TYP)



DETAIL 1
 NTS



DSGN	R GEIST				
OR	MAXEY-SUHR				
CHK	V ERICKSON				
APVD	C BINDERG	NO	DATE	REVISION	BY

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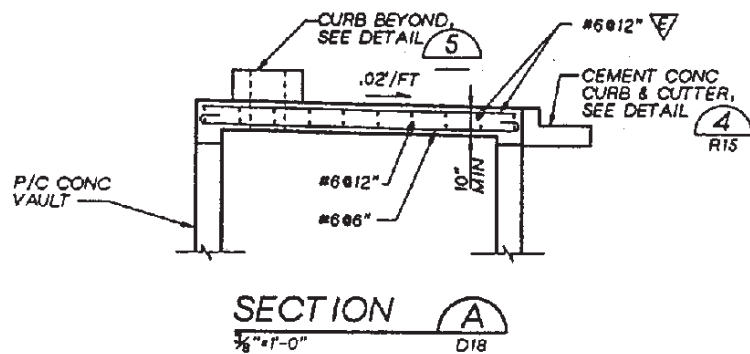
VERIFY SCALE
 BAR IS ONE INCH ON ORIGINAL DRAWING.
 IF NOT ONE INCH ON THIS SHEET, ADJUST SCALES ACCORDINGLY.

CITY OF ISSAQUAH
 PUBLIC WORKS DEPARTMENT
 S.E. 56TH ST ROADWAY
 AND BRIDGE IMPROVEMENTS

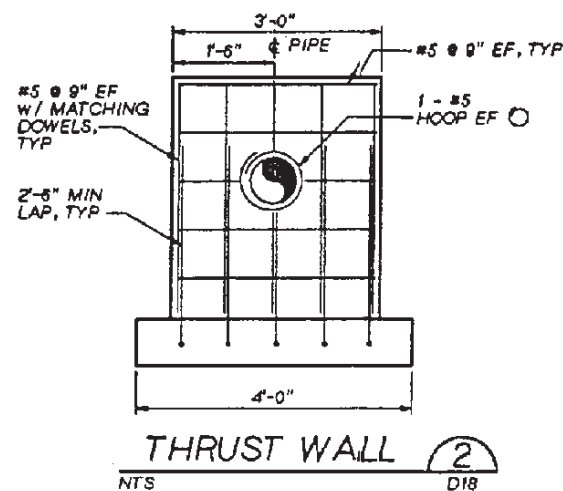
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 BRM-2004(019)

STAGE TWO-B
PANEL ELEVATIONS

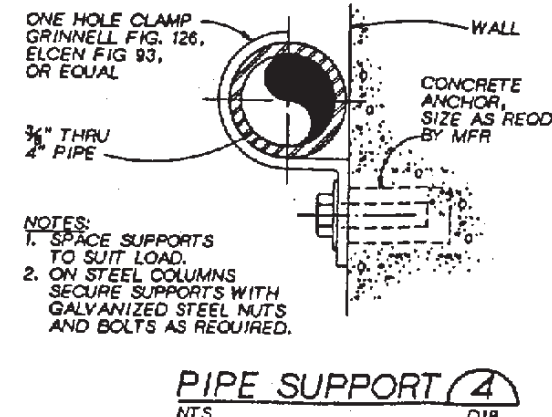
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DWG NO.	D21
DATE	APRIL 94
PROJ NO.	SEA28949.PK



SECTION A
 1/8" = 1'-0" D18

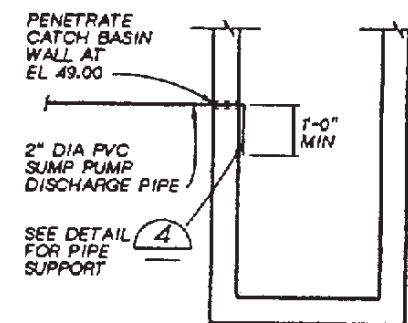


THRUST WALL 2
 NTS D18

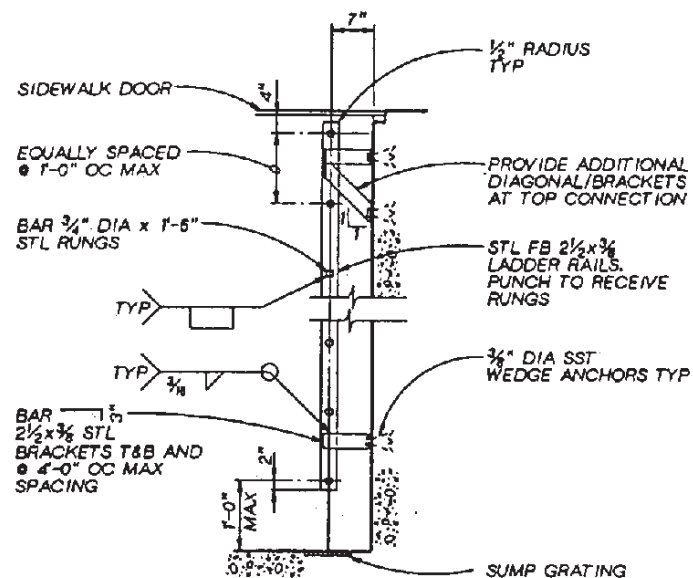


NOTES:
 1. SPACE SUPPORTS TO SUIT LOAD.
 2. ON STEEL COLUMNS SECURE SUPPORTS WITH GALVANIZED STEEL NUTS AND BOLTS AS REQUIRED.

PIPE SUPPORT 4
 NTS D18

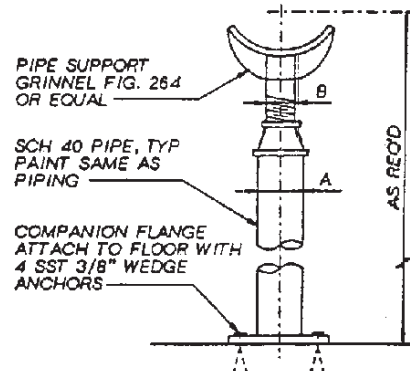


CATCH BASIN 101+64, 35' RT
 SUMP PUMP DISCHARGE 6
 NTS D18



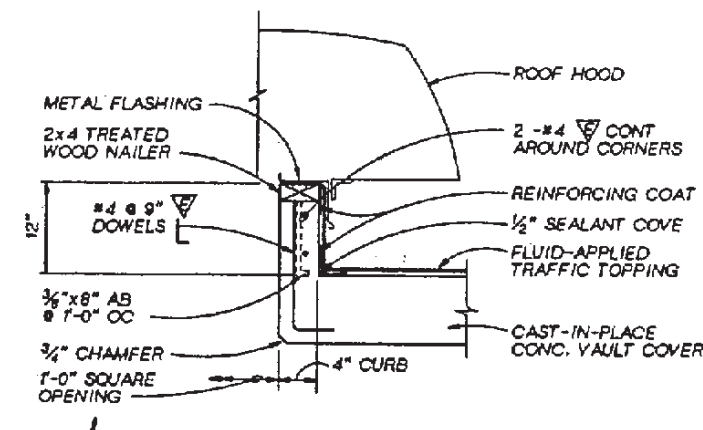
NOTES:
 1. HOT DIP GALVANIZE STEEL AFTER FABRICATION.
 2. PROVIDE LADDER UP SAFETY POST AT TOP OF LADDER AS MANUFACTURED BY BILCO CO., NEW HAVEN, CT.
 3. WEDGE ANCHORS SHALL BE RED HEAD TRUBOLT, HILTI KWIK BOLT II, OR MOLLY PARABOLT.

DETAIL 1
 NTS D18



PIPE DIAM	A	B
3"	2 1/2"	1 1/2"
8"	3"	2 1/2"

PIPE SUPPORT 3
 NTS D18



MECHANICAL CURB DETAIL 5
 1/2" = 1'-0"



DESIGN	M. MOORE				
OR	D. STAPP				
CHECK	R. BEIELER				
APPROVED	C. SUNDBERG	NO.	DATE	REVISION	BY

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VERIFY SCALE
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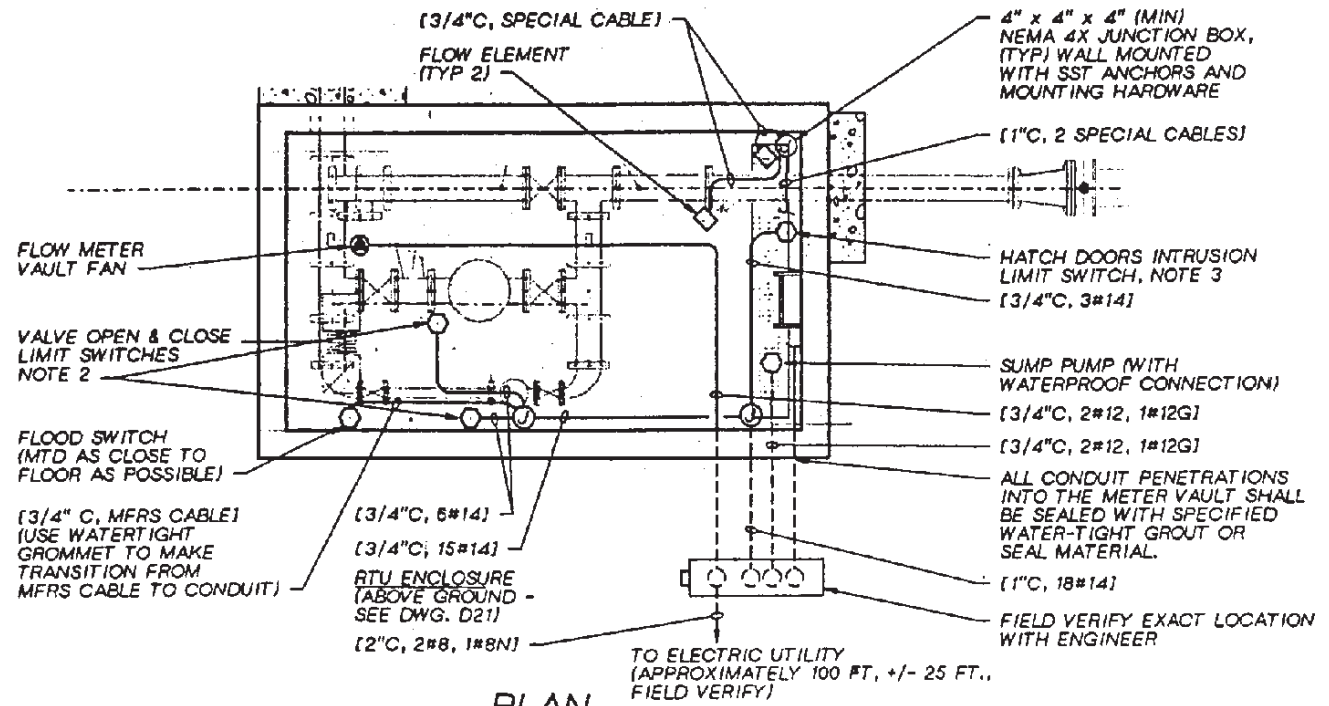
CITY OF ISSAQUAH
 PUBLIC WORKS DEPARTMENT
 S.E. 56TH ST ROADWAY
 AND BRIDGE IMPROVEMENTS

F.A. NO. BRM-2004(0) STAGE TWO-B

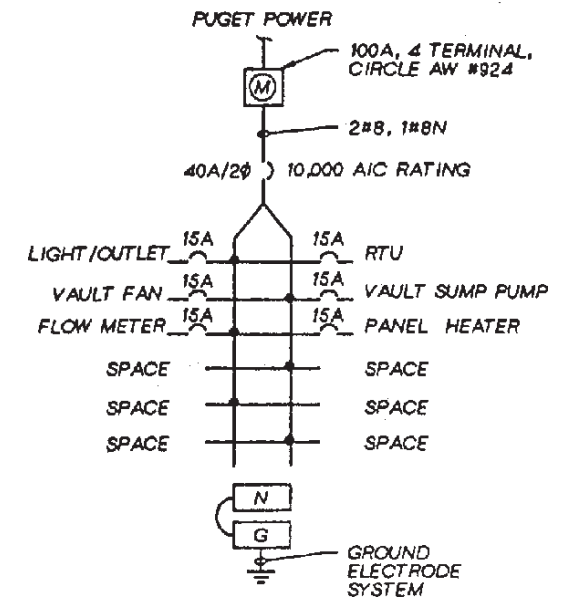
METER VAULT DETAILS

SHEET	27
DWG NO.	D18
DATE	APRIL 94
PROJ NO.	SEA28849.PK

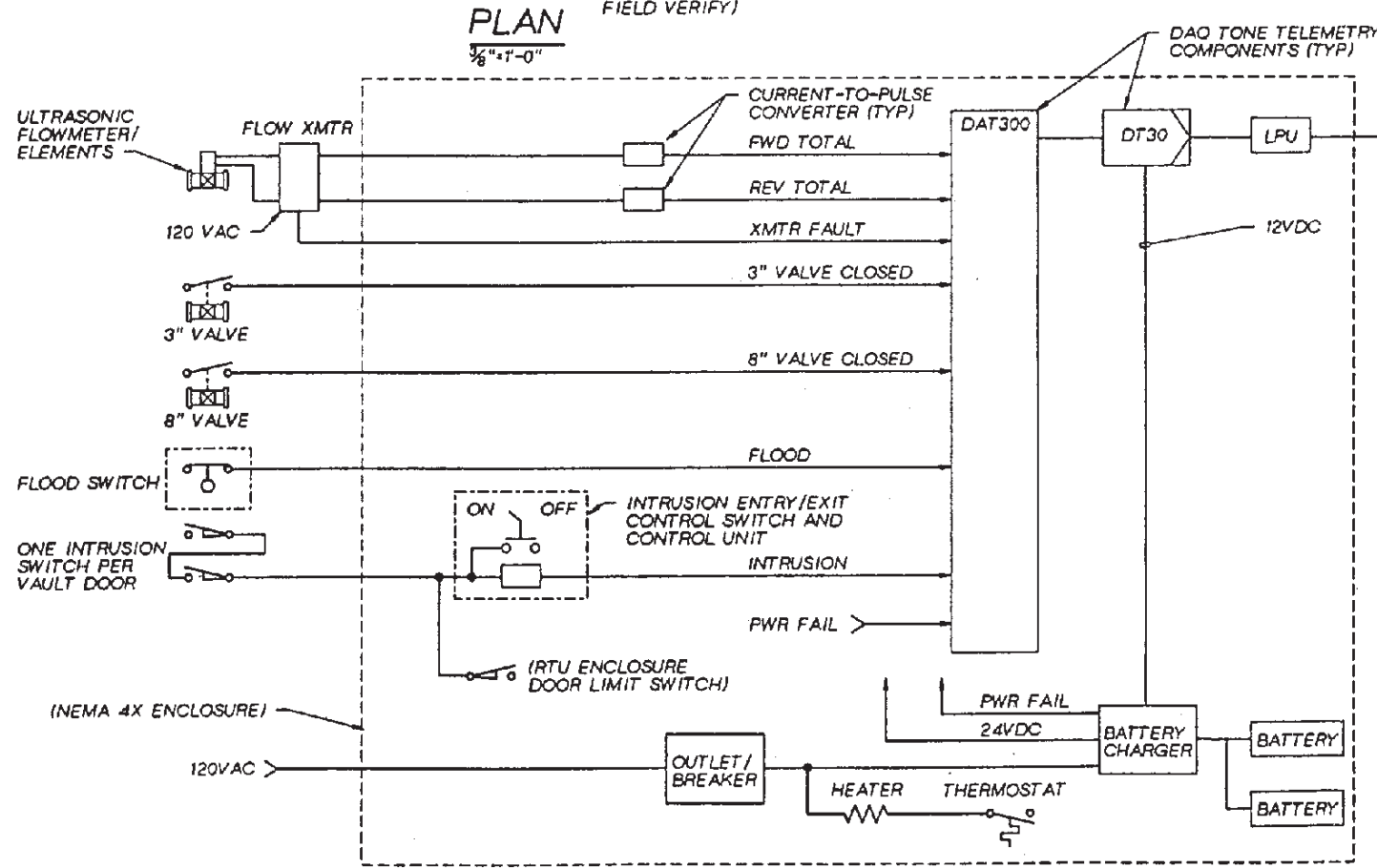
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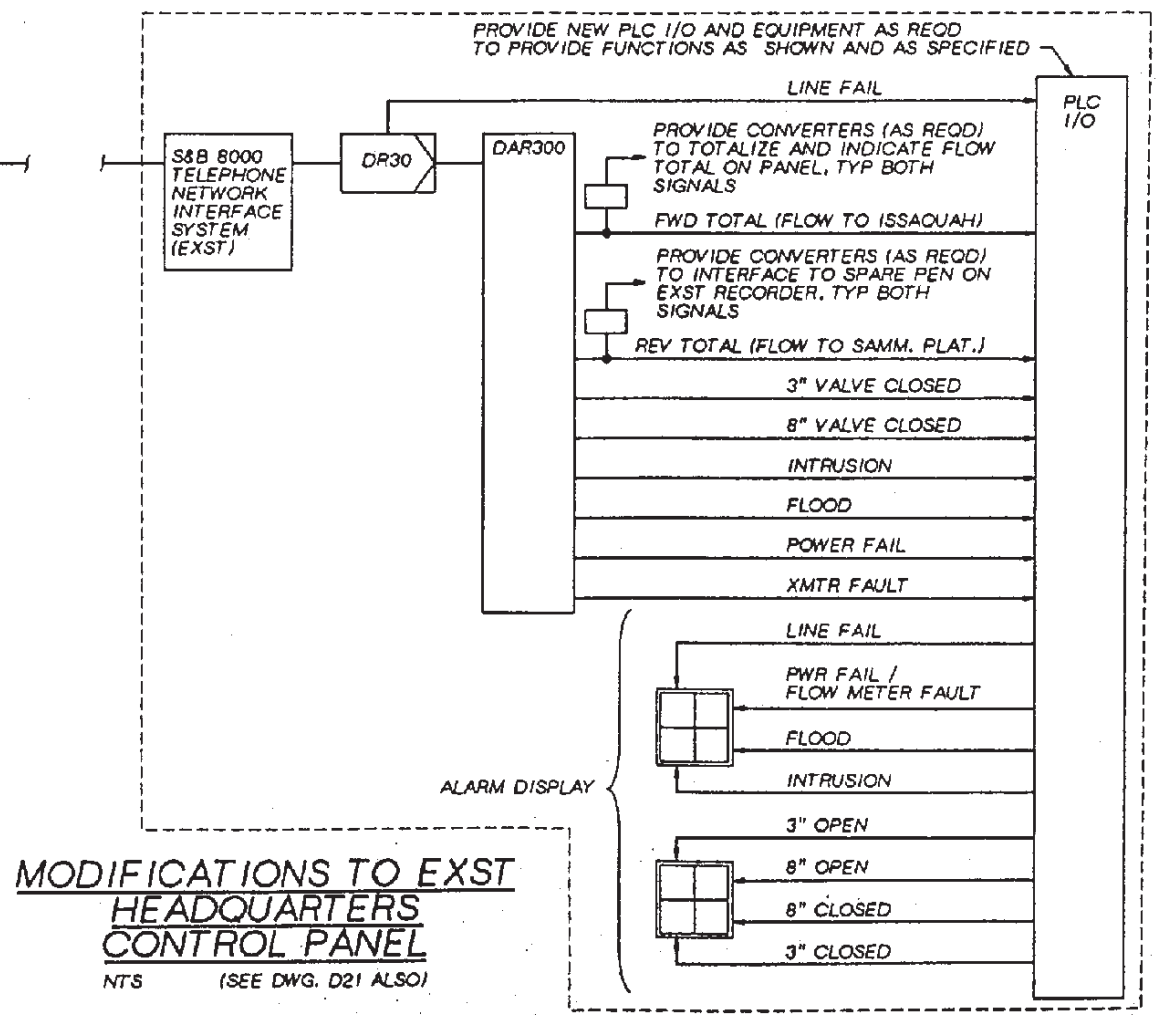
- NOTES:**
1. ALL CONDUIT SHALL BE RIGID GALVANIZED STEEL. USE LIQUIDTITE FLEX CONDUIT FOR LAST 12" LENGTH TO FIELD DEVICE. INSTALL CONDUIT SUCH THAT IT SLOPES AWAY FROM FIELD DEVICE. INSTALL WEEP HOLE TO ALLOW CONDENSATE, ETC. TO DRAIN FROM CONDUIT.
 2. FURNISH NEMA 4X, WATER-PROOF, JUNCTION BOXES AS REQUIRED FOR WIRING IN METER VAULT.
 3. MOUNT RTU ENCLOSURE DOOR AND HATCH DOORS INTRUSION LIMIT SWITCH UNIT, AND INSTALL WIRING SUCH THAT ALARM CONTACTS WILL OPEN WHEN EITHER DOOR IS OPENED.
 4. CONDUITS AND RACEWAYS SHALL BE INSTALLED SUCH THAT HATCH ACCESS IS NOT IMPEDED IN ANY WAY.
 5. GROUND ALL EQUIPMENT PER THE NEC AND PER MANUFACTURER'S REQUIREMENTS.
 6. WIRE 4-20mA FLOW SIGNALS AND VALVE "CLOSED" LIMIT SWITCHES TO SAMMAMISH PLATEAU WATER AND SEWER DISTRICT INTERFACE TERMINAL BLOCK.
 7. REFER TO SPECIFICATION "ELECTRICAL AND INSTRUMENTATION AND CONTROLS" FOR ADDITIONAL REQUIREMENTS.



POWER DISTRIBUTION DETAIL
NTS



FLOW METER VAULT RTU (NEW)
NTS



MODIFICATIONS TO EXST HEADQUARTERS CONTROL PANEL
NTS (SEE DWG. D21 ALSO)



DESIGN	R GEIST	NO.	DATE	REVISION	BY	APVD
OR	MAXEY-SUHR					
CHK	V ERICKSON					
APVD	C SUNDBERG					

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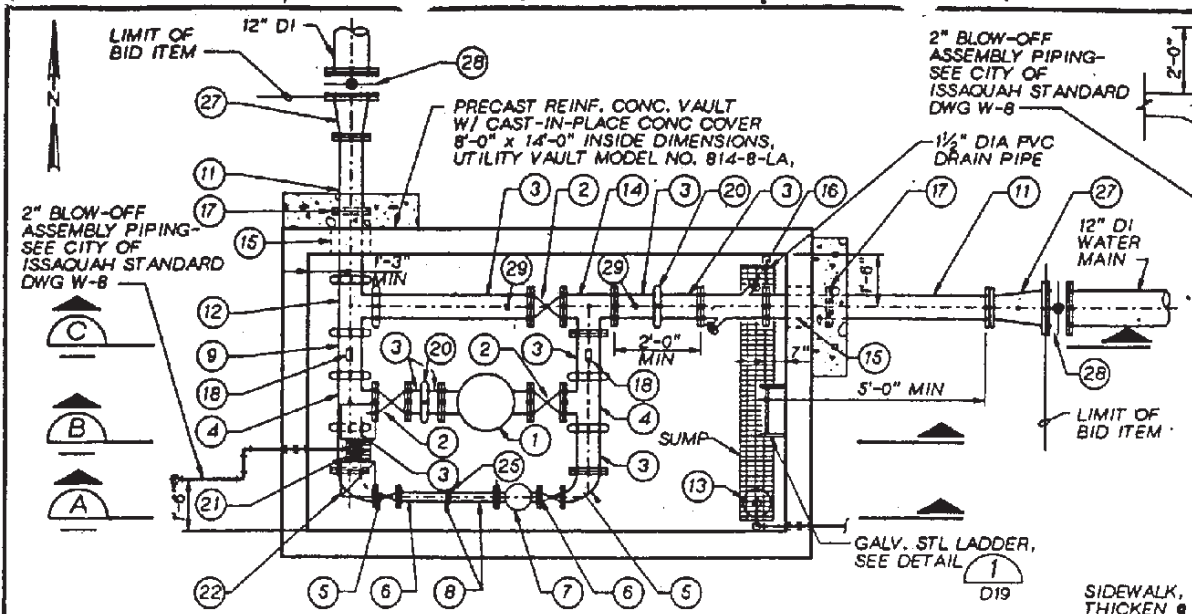
VERTICAL SCALE
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IF NOT ONE INCH ON THIS SHEET, ADJUST SCALES ACCORDINGLY.

CITY OF ISSAQUAH
PUBLIC WORKS DEPARTMENT
S.E. 56TH ST ROADWAY
AND BRIDGE IMPROVEMENTS

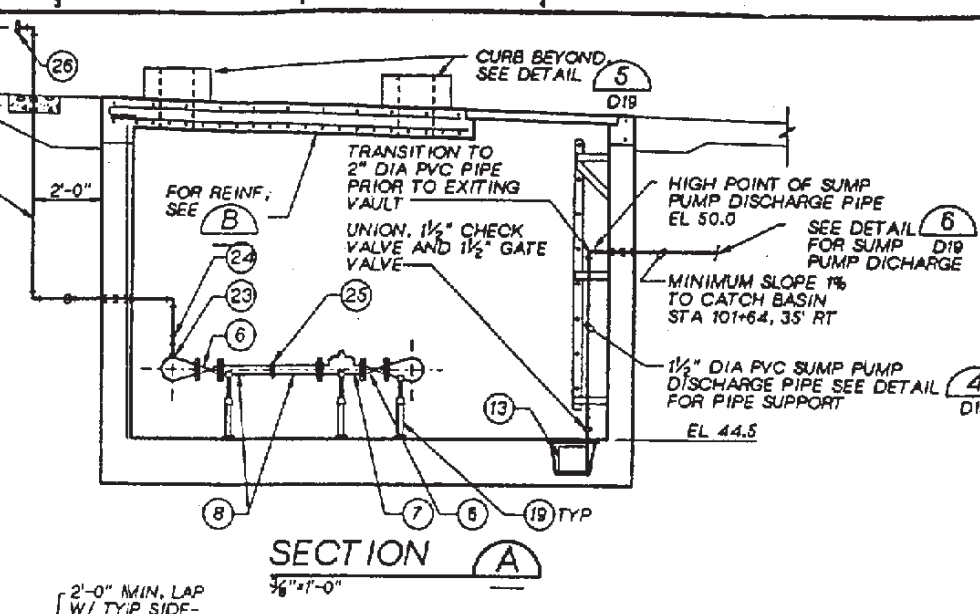
F.A. NO.
BRM-2004(018)

STAGE TWO-B
METER VAULT INSTRUMENTATION

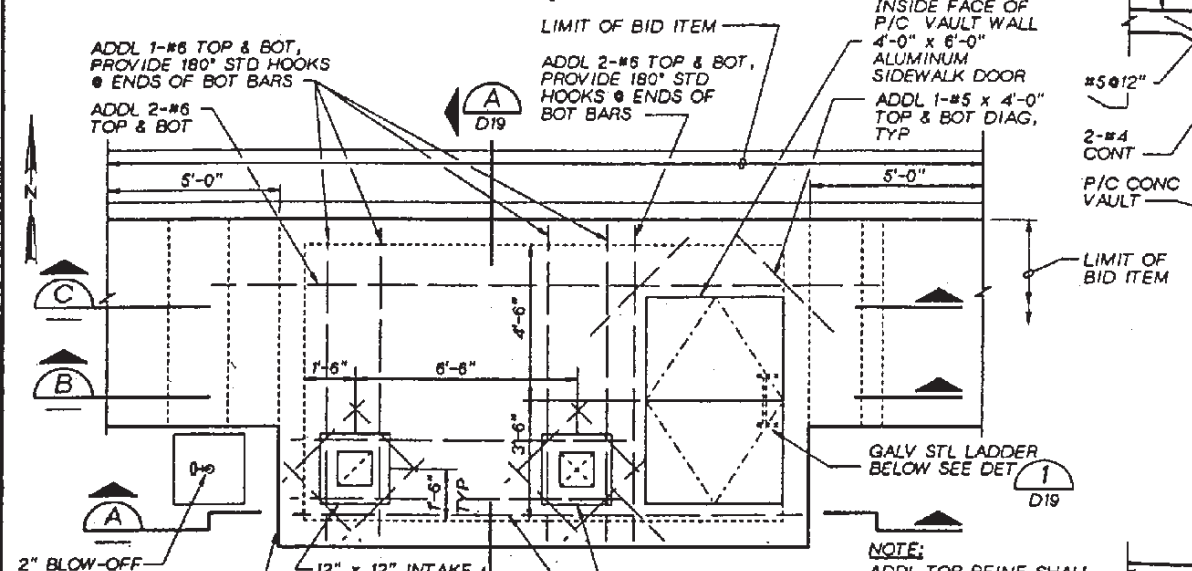
SHEET NO.
DATE APRIL
PROJ. NO. SEA289



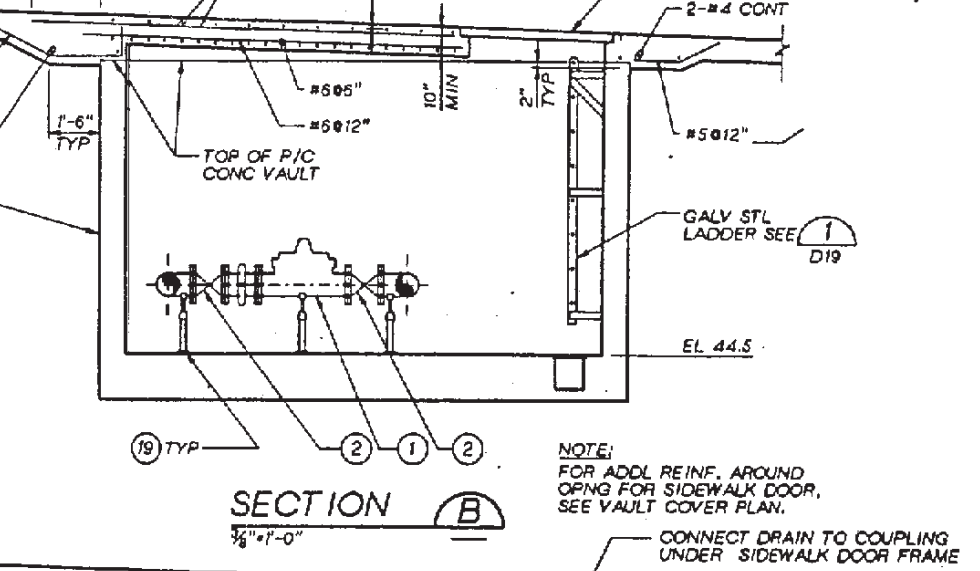
PLAN
 $\frac{3}{8}'' \times 1'-0''$



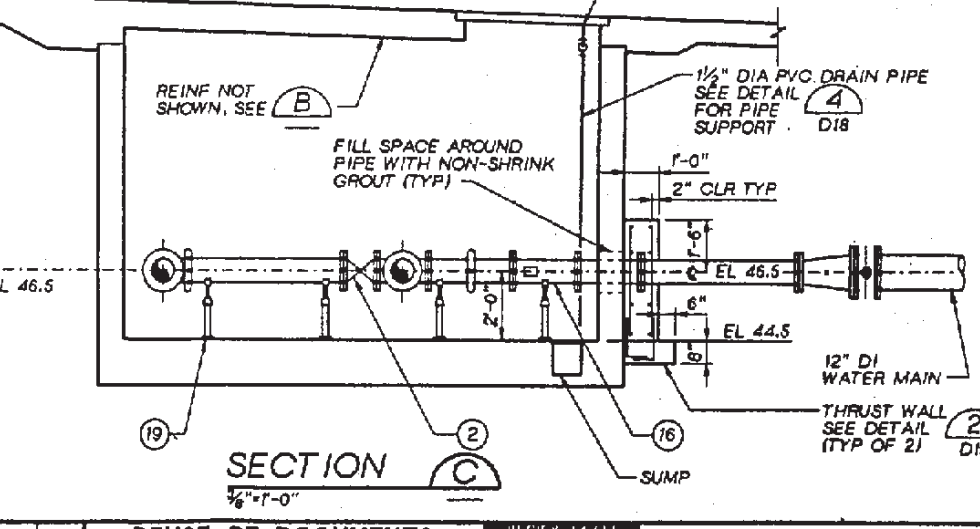
SECTION A
 $\frac{3}{8}'' \times 1'-0''$



VAULT COVER PLAN
 $\frac{3}{8}'' \times 1'-0''$



SECTION B
 $\frac{3}{8}'' \times 1'-0''$



SECTION C
 $\frac{3}{8}'' \times 1'-0''$

- ① 8" PRESSURE REDUCING VALVE, FLG, 250 PSI (CLAYTON MODEL 92G-01ABCDKC WITH X105L2W MICRO SW)
- ② 8" GATE VALVE - FLG, 200 PSI
- ③ 8" PIPE - FLG x GROOVED END
- ④ 8" TEE - GROOVED END x GROOVED END x FLG
- ⑤ 3" x 8" REDUCING 90° BEND, FLG
- ⑥ 3" GATE VALVE - FLG, 200 PSI
- ⑦ 3" PRESSURE REDUCING VALVE, FLG, 250 PSI (CLAYTON MODEL 92G-01ABCDKC WITH X105L2W MICRO SW)
- ⑧ 3" PIPE - FLG x GROOVED END
- ⑨ 8" PIPE - GROOVED END
- ⑩ NOT USED
- ⑪ 8" PIPE - FLG
- ⑫ 8" TEE - GROOVED END
- ⑬ SUMP PUMP, PACO PIPT002 OR EQUAL PUMP SHALL BE SMALL ENOUGH TO FIT IN SUMP WITH GRATING IN PLACE.
- ⑭ 8" TEE, FLG
- ⑮ 8" PIPE, FLG
- ⑯ 8" SONIC METER - FLG
- ⑰ FLANGED JOINT FOR THRUST RING
- ⑱ PRESSURE GAUGE - 2 1/2" LIQUID FILLED BRASS FITTED 0-200 PSI GAUGE, SPAN INSTRUMENTS MODEL LFS220 OR EQUAL, EQUIPPED WITH 1/4 TURN BRASS PETCOCK.
- ⑲ ADJUSTABLE PIPE SUPPORT - TYPICAL F & M FIGURE 2915, GRINNEL FIGURE 264 OR EQUAL, SEE DETAIL ③
- ⑳ 8" GROOVED END COUPLING
- ㉑ SUPPLY FAN
- ㉒ 9" x 8" DUCT FROM INTAKE HOOD TO SUPPLY FAN CONNECT TO SUPPLY FAN WITH FLEXIBLE CONNECTION
- ㉓ ROMAC 202BS SADDLE OR EQUAL WITH 2" BRASS NIPPLE
- ㉔ 2" GATE VALVE-THD x THD, 200 PSI
- ㉕ 3" GROOVED END COUPLING
- ㉖ 2 1/2" (NST) FIRE THREAD ADAPTER WITH CAP
- ㉗ 8" x 12" REDUCER- FLG x FLG
- ㉘ 12" FLG BUTTERFLY VALVE
- ㉙ 3/4" THRED-O-LET, 3/4" BALL VALVE, AND 3/4" NIPPLE

NOTE:
 ALL PIPING SHALL BE DUCTILE IRON CLASS 53 UNLESS SHOWN OTHERWISE.



DSGN	B GIDDINGS				
DR	K MAY				
CHK	R BEIELER				
APVO	C SUNDBERG				
NO.	DATE	REVISION	BY	APVO	© CH2M HILL

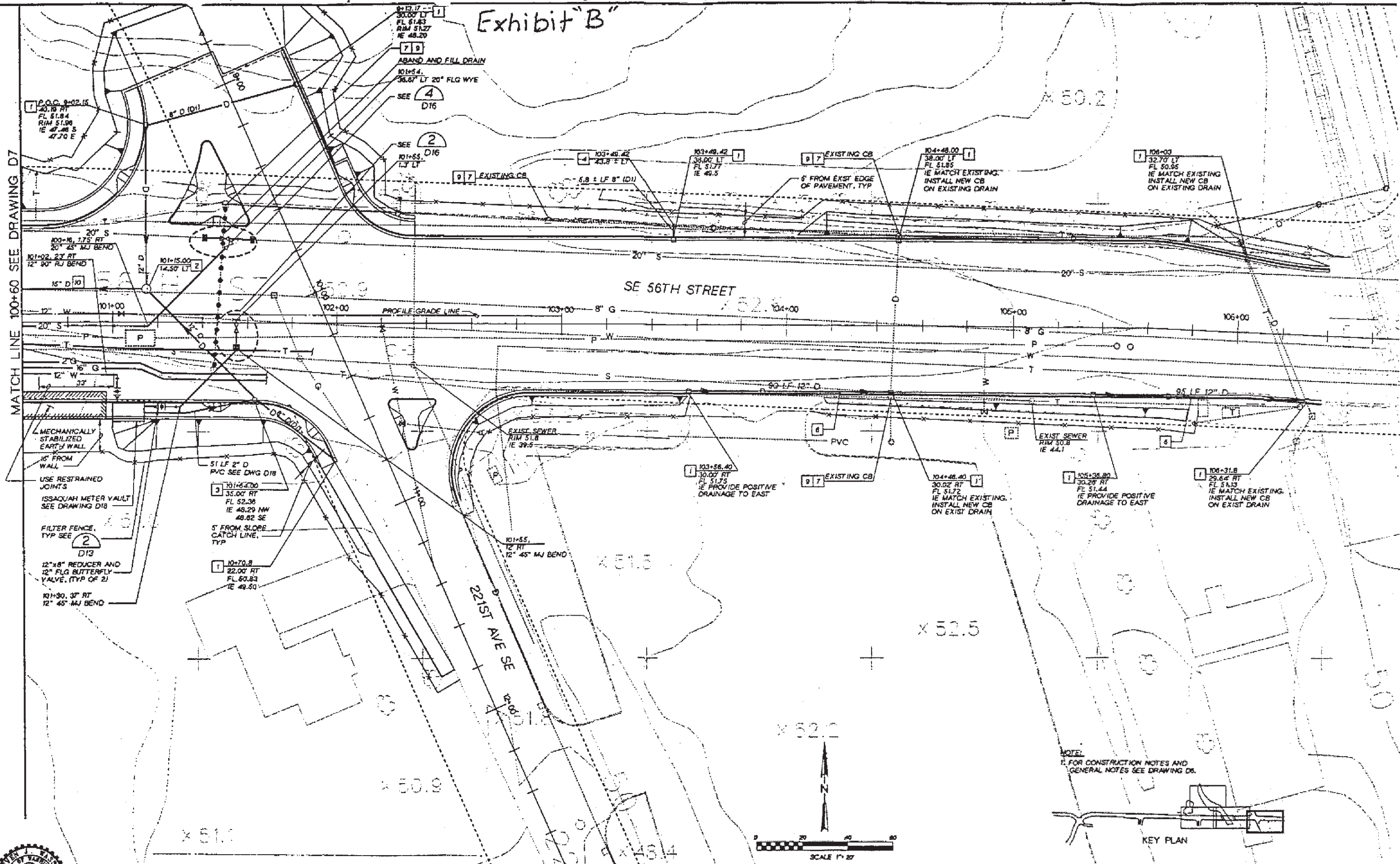
REUSE OF DOCUMENTS
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VERIFY SCALE
 BAR IS ONE INCH ON ORIGINAL DRAWING.
 IF NOT ONE INCH ON THIS SHEET, ADJUST SCALES ACCORDINGLY.

CITY OF ISSAQUAH
 PUBLIC WORKS DEPARTMENT
 S.E. 56TH ST ROADWAY
 AND BRIDGE IMPROVEMENTS

F.A. NO.	BRM-2004(019)	STAGE TWO-B	
ISSAQUAH METER VAULT			
SHEET	NO.	D	
DATE	APRIL 94		
PROJ. NO.	SEA28849		

Exhibit "B"



MATCH LINE 100+60 SEE DRAWING D7

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DESIGN	S. WASSON				
DR	D. STAPP				
CHK	S. SUNDBERG				
APVD	C. SUNDBERG	NO.	DATE	REVISION	BY

RIUSE OF DOCUMENTS
 THIS DOCUMENT, AND THE IDEAS AND DESIGNS INCORPORATED HEREIN, AS AN INSTRUMENT OF PROFESSIONAL SERVICE, IS THE PROPERTY OF GRM HILL AND IS NOT TO BE USED, IN WHOLE OR IN PART, FOR ANY OTHER PROJECT WITHOUT THE WRITTEN AUTHORIZATION OF GRM HILL.

VERIFY SCALE
 BAR IS ONE INCH ON ORIGINAL DRAWING.
 IF NOT ONE INCH ON THIS SHEET, ADJUST SCALES ACCORDINGLY.

CITY OF ISSAQUAH
 PUBLIC WORKS DEPARTMENT
 S.E. 56TH ST ROADWAY
 AND BRIDGE IMPROVEMENTS

F.A. NO. BRM-2004(019)
 STAGE TWO-B
 GRADING, DRAINAGE AND UTILITIES

SHEET 16
 DWG NO. 08
 DATE APRIL 94
 PROJ. NO. SEA28949.PK

NOTE:
 1. FOR CONSTRUCTION NOTES AND GENERAL NOTES SEE DRAWING D6.

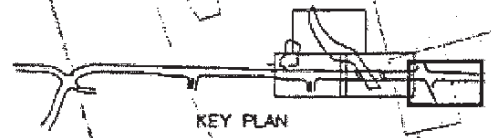
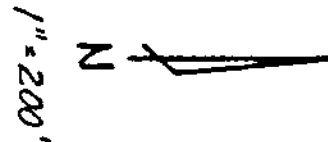


EXHIBIT "C"

SE 1/4, N.E. 1/4, SEC. 21-24-6
(CORNER PROPERTY)

S.E. 56TH ST.



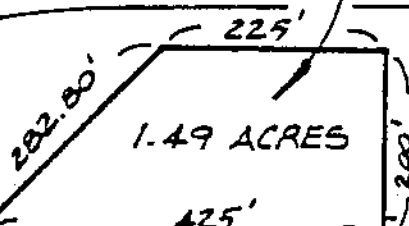
SITE
ADDRESS = 22664 AVE. S.E.
&
SE 56TH ST

PROPOSED UTILITY (15')
& ACCESS EASEMENT

297 TANK SITE

EXIST. TELEPHONE
EASEMENT

1.49 ACRES



172.5'
LOT 9

LOT 8

LOT 7

LOT 6

LOT 5

LOT 4

LOT 3

LOT 2

LOT 1

OVERDALE PARK

229TH AVE. S.E.

228TH PL. S.E.

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**AMENDMENT NO. 1 TO THE
AGREEMENT FOR INTERTIES AND 297 TANK LEASE**

THIS AMENDMENT is made by and between the Sammamish Plateau Water and Sewer District, a municipal corporation, in King County, Washington ("District"), and the City of Issaquah a municipal corporation, in King County, Washington ("City") for the purposes set forth herein.

SECTION I: RECITALS

- 1.1 District and City desire a third intertie located on Black Nugget Road to increase system redundancy and other emergency purposes.
- 1.2 District and City are authorized by RCW Chapter 39.34 to enter into interlocal agreements for joint action.

In consideration of the terms and conditions contained herein, the parties now agree to amend their existing Interlocal Agreement entitled **AGREEMENT FOR INTERTIES AND 297 TANK LEASE** executed in May 1994 by adding the following section:

SECTION VI: BLACK NUGGET ROAD INTERTIE

- 6.1 District and City agree to provide each other with an emergency standby source of water through an intertie connection between District and City water systems at the location described and depicted on Exhibit "1A" attached hereto, commonly known as Black Nugget Road Intertie. This connection shall be an emergency standby connection, and water shall only be drawn through this point when an emergency occurs. An emergency shall be considered any event that requires District's or City's water supply to be augmented on a temporary emergent basis.
- 6.2 District or City shall notify the other party in writing at least three (3) business days in advance of the date either party desires to receive water through the intertie. In case of emergency need, District or City shall provide water immediately upon oral notification of such emergency. Follow-up written notice of such emergency request shall be made by District or City to the other party within five (5) days of the commencement of such use.
- 6.3 The intertie is constructed and owned by the City. The intertie is capable of being placed into operation at any time.
- 6.4 Water supplied by District through the intertie will be treated. Water supplied by the City through the intertie will be untreated.
- 6.5 District and City shall use reasonable efforts to provide an uninterrupted supply of water. Neither party shall be liable for any shortage or interruption in the delivery of water. In addition, neither party shall be liable for any failure, interruption, or shortage of water, or any loss or damage resulting therefrom occasioned by any cause beyond the control of either party. District

and City do not guarantee the availability of water through the intertie at all times because of each parties' respective needs and water demand. Further, during critical water shortage periods as determined by either party, District or City may close the intertie until sufficient water supply exists to make such available for use by either party. In the event District or City declares and/or imposes water usage restrictions within their boundaries, District and City agree to adopt and impose water usage restrictions no less restrictive than those adopted by the other party as a pre-condition to receiving water through the intertie.

- 6.6 All water delivered under this agreement may only be resold to members/customers within the parties' respective water service boundary for use therein.
- 6.7 City shall measure all water delivered through the intertie by metering equipment owned by the City. District and City will monitor the water flow measurements. District shall own, operate, and maintain any water line from the District side of the intertie vault to the District water system. City shall be responsible for the flushing of such intertie water line as reasonably necessary to ensure water quality.
- 6.8 Only City personnel shall operate the intertie valve. District shall notify City when there is a need for emergency intertie water supply; in such event, City's personnel shall operate the valves for opening and closing the intertie.
- 6.9 In the event that District or City receive water through the intertie, both parties agree to replenish or replace the same volume of water received and delivered from the intertie to the other party within seventy-two hours of the time of receipt. In the event such water delivered is not replaced by the receiving party within such period, the party receiving such water shall pay the other party for such water delivered at the commercial commodity rate charged by the party delivering such water. The party delivering such water shall bill the party receiving such water monthly for the amount of water delivered. The party receiving such water shall pay the other party within sixty (60) days of the date of such billing. Any billings not paid by the party within such sixty-day period, shall accrue interest at the rate of twelve percent (12%) per annum until paid.

Approved As To Form
District Legal Counsel

SAMMAMISH PLATEAU WATER
AND SEWER DISTRICT ("District")

By _____

By Ronald E. Pitt

Its _____

Its GENERAL MANAGER

Dated _____

Dated 8-26-96

Office of the City Attorney

By [Signature]

Its _____

Dated 9/4/96

STATE OF WASHINGTON)

) ss.

COUNTY OF KING)

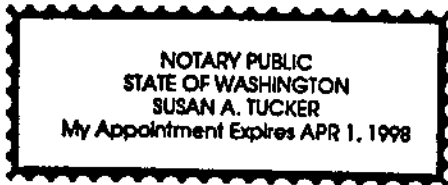
CITY OF ISSAQUAH ("City")

By [Signature]

Its Mayor

Dated 9-12-96

I certify that I know or have satisfactory evidence that RONALD E. LITTLE is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the GENERAL MANAGER Sammamish Plateau Water and Sewer District, a municipal corporation, to be the free and voluntary act of such municipal corporation for the uses and purposes mentioned in the instrument.



Dated August 26, 1996

Name Susan A. Tucker

Notary Public in and for the State of Washington, residing at North Bend, Wa.
My Appointment Expires 4/1/98

STATE OF WASHINGTON)

) ss.

COUNTY OF KING)

I certify that I know or have satisfactory evidence that Rowan Hinds is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Mayor of the City of Issaquah, a municipal corporation, to be the free and voluntary act of such municipal corporation for the uses and purposes mentioned in the instrument.



Dated 9-12-96

Name Donnalee Pickrel

Notary Public in and for the State of Washington, residing at Issaquah
My Appointment Expires 9-25-00

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**AMENDMENT NO. 2 TO THE
AGREEMENT FOR INTERTIES AND 297 TANK LEASE**

THIS AMENDMENT NO. 2 TO THE AGREEMENT FOR INTERTIES AND 297 TANK LEASE ("Amendment" or "Amendment No. 2") is made by and between the Sammamish Plateau Water and Sewer District, a Washington municipal corporation ("District"), and the City of Issaquah, a Washington municipal corporation ("City") (individually a "Party" and collectively the "Parties") for the purposes set forth herein.

SECTION I: RECITALS

1.1 The Parties entered into an agreement entitled "Agreement for Interties and 297 Tank Lease" ("Agreement") providing for interties between their respective water systems for emergency water supply, and further providing for the District to make available to the City up to one half of the District's 297 Tank's storage capacity of 2.25 million gallons for additional emergency standby water supply so that the City would not have to construct its own reservoir for such purpose. The Agreement was effective May 23, 1994, and has a term of twenty five (25) years, provided that either Party may cancel and terminate the 297 Tank Leasehold upon giving two (2) years advance written notice to the other Party.

1.2 In 1996, the Parties amended the Agreement by Amendment No. 1 ("Amendment No. 1") to add an additional intertie between the Parties' respective water systems.

1.3 The Agreement provided that in the event either Party received water through the interties, the Party was required to replace the same volume of water received and delivered through the intertie to the other Party, provided if a Party receiving water through an intertie failed to do so within a specified period, the Party must pay the other Party for the water received at a specified rate. The Agreement also required the City to pay District the amount of \$24,564 annually for water availability in the 297 Tank ("Availability Charge"); with such Availability Charge subject to adjustment every three years based on an identified consumer price index.

1.4 The Parties have determined that, since the commencement of the Agreement, the City has not paid the Availability Charge owing to the District for storage capacity in the 297 Tank as provided for in the Agreement. The Parties now desire to settle and compromise any dispute arising from the City's failure to pay the Availability Charge and to set forth their agreement regarding the amount and timing of the City's payment of the Availability Charge owing to the District under the Agreement. The City has also requested that Section 4.7 of the Agreement be amended to modify the time period to give notice to cancel and terminate the tank leasehold from two (2) years to two hundred seventy (270) days.

NOW, THEREFORE, in consideration of the terms and conditions set forth herein, the Parties agree as follows:

SECTION II: WATER AVAILABILITY CHARGE PAYMENT

2.1 The Parties agree that, for the time period of the Agreement from May 23, 1994 up to and through May 23, 2010, the City shall pay the District an Availability Charge of Four Hundred Eighty One Thousand Two Hundred Sixty Three Dollars and Forty Eight Cents (\$481,263.48), payable in three (3) equal installments of One Hundred Sixty Thousand Four Hundred Twenty One Dollars and Sixteen Cents (\$160,421.16) ("Installment Payments") due on September 1, 2011, September 1, 2012 and September 1, 2013 respectively. In consideration of the City's agreement to pay as set forth above, the District agrees to waive any claim for interest, costs, damages, attorneys fees or other charges arising from the City's failure to pay Availability Charges from May 23, 1994 through May 23, 2010. Provided that if the City fails to pay any Installment Payment to the District within forty-five (45) days of its due date and after the District makes written demand for payment, the Installment Payment shall thereafter accrue interest at the rate set forth in Section 4.6 of the Agreement until paid to the District in full.

2.2 The Parties agree that, for the time period of the Agreement from May 23, 2010 up to and through May 22, 2011, the City shall pay the District an Availability Charge of Thirty Seven Thousand Five

Hundred Sixty Five Dollars and Twenty Eight Cents (\$37,565.28), and annually thereafter as adjusted pursuant to the requirements of Section 4.6, provided the Parties agree that Section 4.6 of the Agreement requiring the payment of Availability Charges annually on May 23, the effective date of the Agreement pursuant to Section 5.8, is hereby modified and amended to provide that such annual Availability Charges shall be due and payable to the District on September 1 of each year the Tank leasehold is in effect as set forth in Section IV of the Agreement ("Amended Availability Charge Payment Due Date"), and that if the City fails to pay any Availability Charge to the District within forty-five (45) days of its due date and after the District makes written demand for payment, the Installment Payment shall thereafter accrue interest at the rate set forth in Section 4.6 of the Agreement until paid to the District in full. Provided the City shall pay the District an Availability Charge of Thirty Seven Thousand Five Hundred Sixty Five Dollars and Twenty Eight Cents (\$37,565.28) on September 1, 2011, for the time period of May 23, 2010 up to and through May 22, 2011, together with a prorated payment of Ten Thousand Three Hundred Ninety Four Dollars and Ninety Two Cents (\$10,394.92) for the time period of May 23, 2011 up to and through August 31, 2011, to account for the Amended Availability Charge Payment Due Date.

SECTION III: TANK LEASEHOLD TERMINATION NOTICE

3.1 The Parties agree that Section 4.7 of the Agreement is hereby amended to modify the notice period required to terminate the Tank leasehold to read as follows:

The term of the 297 Tank lease shall commence upon the effective date of this Agreement and shall continue for a period of twenty five (25) years, provided, however, either Party may cancel and terminate the Tank leasehold upon giving at least two hundred seventy (270) days advance written notice to the other Party, provided the annual Availability Charge shall be paid by the City to the District on a prorated basis to the date of termination based on the Availability Charge applicable to the annual term during which the Tank leasehold is terminated.

SECTION IV: GENERAL PROVISIONS

4.1 The recitals in Section I above are true and incorporated into and made a part of the terms of this Amendment as though re-stated herein full.

4.2 Except as expressly amended by this Amendment, the Agreement remains in full force and effect according to its terms conditions and is not otherwise modified or amended.

4.3 This Amendment may be executed in one or more counterparts, each of which shall be deemed an original and with the same effect as if all Parties had signed the same document. All such counterparts shall be construed together and shall constitute one instrument, but in making proof hereof it shall only be necessary to produce one such counterpart.

4.4 The Parties each represent and warrant they have the full power and authority to enter into this Amendment and to carry out all actions required of them by the Agreement. All persons executing this Amendment in a representative capacity represent and warrant they have the full power and authority to bind their respective municipal entities.

<p>SAMMAMISH PLATEAU WATER & SEWER DISTRICT ("DISTRICT")</p>	<p>CITY OF ISSAQUAH ("ISSAQUAH")</p>
<p>By: <u>[Signature]</u> Name: <u>John C. Kraulss</u> Title: <u>General Manager</u> Date: <u>8/29/11</u></p>	<p>By: <u>[Signature]</u> Name: <u>Ava Frisinger</u> Title: <u>Mayor of Issaquah</u> Date: <u>9-22-11</u></p>

Approved as to Form
District Legal Counsel

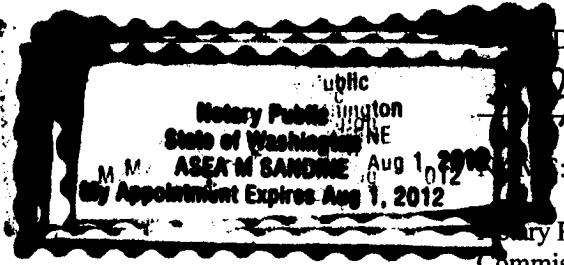
By: [Signature]
Its: _____
Dated: 8/16/11

Approved as to Form
Office of the City Attorney

By: Wayne Janakapalm
Its: Attorney - City of Issaquah
Dated: 8/19/11

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

I certify that I know or have satisfactory evidence that John C. Krauss is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument, and acknowledged it as the General Manager of SAMMAMISH PLATEAU WATER & SEWER DISTRICT to be the free and voluntary act of such entity for the uses and purposes mentioned in the instrument.



D: Aug 29, 2011
Asea M Sandine
ASA M. Sandine
(Print Name)
Notary Public in and for the State of Washington
Commissioner Aug 1, 2012 Expires:

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Ava Frisinger is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument, and acknowledged it as the Mayor of THE CITY OF ISSAQUAH to be the free and voluntary act of such entity for the uses and purposes mentioned in the instrument.

DATED: 8-22-11
Deanne Meinberg
NAME: Deanne Meinberg
(Print Name)
Notary Public in and for the State of Washington
Commission Expires: 11-19-11

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**AMENDMENT NO. 3 TO THE
AGREEMENT FOR INTERTIES AND 297 TANK LEASE**

THIS AMENDMENT NO. 3 TO THE AGREEMENT FOR INTERTIES AND 297 TANK LEASE (“Amendment” or “Amendment No. 3”) is made by and between the Sammamish Plateau Water and Sewer District, a Washington municipal corporation, in King County, Washington (“District”), and the City of Issaquah, a Washington municipal corporation, in King County, Washington (“City”) (individually a “Party” and collectively the “Parties”) for the purposes set forth herein.

SECTION 1: RECITALS

1.1 The Parties entered into an agreement entitled “Agreement for Interties and 297 Tank Lease (“Agreement”) providing for interties between their respective water systems for emergency water supply, and further providing for the District to make available to the City up to one half of the District’s 297 Tank’s storage capacity of 2.25 million gallons for additional emergency standby water supply so that the City would not have to construct its own reservoir for such purpose. The Agreement was effective May 23, 1994, and has a term of twenty-five (25) years, provided that either Party may cancel and terminate the 297 Tank Leasehold upon giving two (2) years advance written notice to the other Party.

1.2 In 1996, the Parties amended the Agreement by Amendment No. 1 (“Amendment No. 1”) to add an additional intertie between the Parties’ respective water systems.

1.3 In 2011, the Parties amended the Agreement by Amendment No. 2 (“Amendment No. 2”) to resolve a situation arising from the City’s failure to pay Water Availability Charges referenced in Section 4.6 of the Agreement to the District and to modify the time period for the Parties to give notice to cancel and terminate the tank leasehold set forth in Section IV of the Agreement.

1.4 On June 12, 2012 the City formally requested the tank lease provision(s) set forth in Section IV of the Agreement be terminated, effective March 19, 2013, and the Parties desire to ratify and confirm the termination of the tank lease as of that date. The Parties also desire to modify, amend and supersede the provisions of Section III of the Agreement relating to the S.E. 56th Street Intertie.

1.5 District and City are authorized by RCW Chapter 39.34 to enter into interlocal agreements for joint action.

Now, therefore, in consideration of the terms and conditions contained herein, the Parties agree as follows:

SECTION 2: SE 56TH STREET INTERTIE

2.1 Section III of the Agreement is hereby rescinded and deleted in its entirety, and superseded and replaced in its entirety with the following provision:

SECTION III: S.E. 56TH STREET INTERTIE

3.1 District and City agree to provide each other with an emergency standby source of water through an intertie connection between District and City water systems constructed at the location described and depicted on Exhibit "B" of the Agreement. This connection shall be an emergency standby connection, and water shall only be drawn through this point when an emergency occurs. An emergency shall be considered any event that requires District's or City's water supply to be augmented on a temporary emergent basis.

3.2 District or City shall notify the other Party in writing at least three (3) business days in advance of the date either Party desires to receive water through the intertie. In case of emergency need, District or City shall provide water immediately upon oral notification of such emergency. Follow-up written notice of such emergency request shall be made by District or City to the other Party within five (5) days of the commencement of such use.

3.3 The intertie is constructed and owned by City. The intertie is capable of being placed into operation at any time.

3.4 Water supplied by District to City is treated. Water supplied by the City to District is treated.

3.5 District and City shall use reasonable efforts to provide an uninterrupted supply of water. Neither Party shall be liable for any shortage or interruption in the delivery of water. In addition, neither Party shall be liable for any failure, interruption, or shortage of water, or any loss or damage resulting therefrom occasioned by any cause beyond the control of either Party. District and City do not guarantee the availability of water through the intertie at all times because of each Parties' respective needs and water demand. Further, during critical water shortage periods as determined by either Party, either Party may close the intertie until sufficient water supply exists to make such available for use by either Party. In the event either Party declares and/or imposes water usage restrictions within its boundaries, the Parties agree to adopt and impose water usage restrictions no less restrictive than those adopted by the other Party as a pre-condition to receiving water through the intertie.

3.6 All water delivered under this Agreement may only be resold to members/customers within the Parties' respective water service boundary for use therein.

3.7 City shall measure all water delivered through this intertie by metering equipment owned by the City. The Parties will monitor the water flow measurements. City shall own, operate, and maintain the intertie up to the District side of the intertie vault. District shall own, operate, and maintain any water line from the District side of the intertie vault to the District water system. City shall be responsible for flushing of such intertie water line as reasonably necessary to ensure water quality.

3.8 Only City personnel shall operate the intertie valve. District shall notify City when there is a need for emergency intertie water supply; in such event, City personnel shall operate the valves for opening and closing the intertie.

3.9 In the event either Party receives water through the intertie, both Parties agree to replenish or replace the same volume of water received and delivered from the intertie to the other Party within seventy-two (72) hours of the time of receipt. In the event such water delivered is not replaced by the receiving Party within such period, the Party receiving such water shall pay the other Party for such water delivered at the commercial commodity rate charged by the Party delivering such water. The Party delivering such water shall bill the Party receiving such water monthly for the amount of water delivered. The Party receiving such water shall pay the other Party within sixty days (60) days of the date of such billing. Any billings not paid by the Party within such sixty-day period, shall accrue interest at the rate of twelve percent (12%) per annum until paid.

SECTION 3: 297 TANK LEASE

3.1 Section IV: 297 TANK LEASE of the Agreement is hereby deleted and rescinded in its entirety and the Parties ratify and confirm the termination of that Section IV and the 297 Tank Lease effective March 19, 2013.

SECTION 4: GENERAL PROVISIONS

4.1 The recitals set forth in Section 1 above are incorporated in full into this Amendment No. 3 by this reference.

4.2 Except as expressly amended by this Amendment No. 3, the Agreement as previously amended by Amendment No. 1 and Amendment No. 2, remains in full force and effect according to its terms and conditions and is not otherwise modified or amended.

4.3 This Amendment No. 3 may be executed in one or more counterparts, each of which shall be deemed an original and with the same effect as if all Parties had signed the same document. All such counterparts shall be construed together and shall constitute one instrument, but in making proof hereof it shall only be necessary to produce one such counterpart.

4.4 The Parties each represent and warrant they have the full power and authority to enter into this Amendment No. 3 and to carry out all actions required of them by the Agreement. All persons executing this Amendment in a representative capacity represent and warrant they have the full power and authority to bind their respective municipal entities.

4.5 Except as otherwise provided herein, this Amendment No. 3 shall take effect (“Effective Date”) upon the approval and execution of this Agreement by both the District Board of Commissioners and the City Council of City.

SAMMAMISH PLATEAU WATER & SEWER DISTRICT ("DISTRICT")

CITY OF ISSAQUAH ("CITY")

By: [Signature]
Name: John C. Krauss
Title: General Manager
Date: July 21, 2014

By: [Signature]
Name: Fred Butler
Title: Mayor
Date: 10/3/14

Approved as to Form
District Legal Counsel

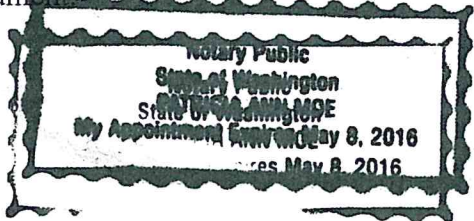
Approved as to Form
Office of the City Attorney

By: _____
Its: _____
Dated: _____

By: Wayne Janakafala
Its: City Attorney
Dated: 10/3/14

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

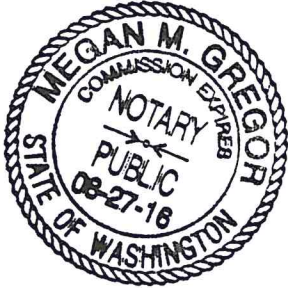
I certify that I know or have satisfactory evidence that John C. Krauss is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath state that he/she was authorized to execute the instrument, and acknowledged it as the General Manager of SAMMAMISH PLATEAU WATER & SEWER DISTRICT to be the free and voluntary act of such entity for the uses and purposes mentioned in the instrument.



Dated July 21, 2014
Signature of Patricia Ann Moe
Notary Public
Printed Name Patricia Ann Moe
My Appointment Expires May 8, 2016

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Fred Butler is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath state that he/she was authorized to execute the instrument, and acknowledged it as the Mayor of THE CITY OF ISSAQUAH to be the free and voluntary act of such entity for the uses and purposes mentioned in the instrument.



Dated 10/3/2014
Signature of [Handwritten Signature]
Notary Public
Printed Name Megan M. Gregor
My Appointment Expires 08/27/2016

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**SAMMAMISH PLATEAU WATER & SEWER DISTRICT
KING COUNTY, WASHINGTON**

RESOLUTION NO. 4313

RESOLUTION OF THE BOARD OF COMMISSIONERS OF SAMMAMISH PLATEAU WATER AND SEWER DISTRICT, KING COUNTY, WASHINGTON, APPROVING AN AGREEMENT WITH THE CITY OF ISSAQUAH ADDRESSING GOVERNANCE AND UTILITY SERVICE DELIVERY OPTIONS.

WHEREAS, Sammamish Plateau Water and Sewer District ("District") is a water-sewer special purpose district authorized and existing pursuant to Title 57 Revised Code of Washington (RCW); pursuant to such authority, the District owns and operates water and sewer utility systems and provides retail utility services to customers located within the District's corporate and approved utility service area boundaries; and

WHEREAS, the City of Issaquah ("City") is an optional municipal code city authorized and existing pursuant to Title 35A RCW and other statutes; pursuant to such authority, the City owns and operates water and sewer utility systems and provides retail utility services to customers located within the City's corporate and approved utility service area boundaries; and

WHEREAS, a portion of the City is located within the District's water and sewer service area boundaries, and the City previously commissioned a study to consider the unilateral assumption of that part of the District's water and sewer service areas and facilities located within the City's corporate boundaries; and the City publicly released its study entitled "August 2013 Assumption Study" of the District ("Assumption Study"); and the District has undertaken the review and preliminary analysis of the Assumption Study, and has considered responding to the Assumption Study; and

WHEREAS, by the adoption of Resolution No. 4274 on August 19, 2013, the District Board of Commissioners determined the unilateral assumption of the portion of the District located within the City by the City may have significant adverse financial, operational, environmental and other impacts on and to the District and its utility customers, including the customers and District facilities which may be potentially taken and assumed by the City located within the City's corporate boundaries, and also on the District's customers and District facilities located outside the City's corporate boundaries which would remain a part of the District and be served by the District after any such unilateral assumption by the City; and an assumption could detrimentally impact levels of utility service provided by the District and the cost of such service; and a unilateral assumption could have detrimental impacts on other jurisdictions in which the District provides utility service, including the City of Sammamish and unincorporated King County; and

WHEREAS, based on the concerns identified by the District Board of Commissioners in Resolution No. 4274, the Board of Commissioners adopted policies in such resolution, including (a) there be no change in utility governance within the District's utility service area, including

city assumptions, without the concurrence of all affected governmental jurisdictions within such area, including the District; (b) opposing any unilateral attempt to change the governance structure within the District utility service area, including city assumptions, without the concurrence of all affected jurisdictions, including the District; (c) the citizens affected by any proposed change in governance within the District's utility service area should have the right to vote on any such proposed change in governance; and, with the concurrence of the affected jurisdictions, there should be no change in governance unless a majority of any citizens affected by the proposed change approve by vote the proposed change; (d) the District was open to discussions with the City and other governmental jurisdictions such as the City of Sammamish to identify and understand objectives and possible mutual interests relative to governance issues; and (e) the District intended to negotiate and enter into long-term agreements with jurisdictions which may be impacted by any proposed change in governance within the District's utility service area to study and consider governance options regarding the provision of utility service within the District and the region in which it serves, conditioned on the agreement there be no attempts by any city to assume all or any portion of the District without the District's consent, based on a process and schedule as agreed to by the District; and

WHEREAS, the District and the City have reached agreement relative to the study of governance and utility delivery service options in the form attached hereto as **Exhibit A** and incorporated herein by this reference ("Agreement") to address such matters, including the City's agreement there be no City attempt to assume all or any part of the District located within the City for a period of ten (10) years without the District's consent; now, therefore,

BE IT RESOLVED, by the Board of Commissioners of Sammamish Plateau Water & Sewer District, King County, Washington, as follows:

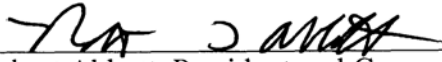
1. The Agreement in the form attached hereto as **Exhibit A** is hereby approved.
2. Robert Abbott, the President of the District Board of Commissioners, is hereby authorized and directed to execute the Agreement on behalf of the District and to provide such executed Agreement to the City of Issaquah for mutual execution as soon as possible or to have the Agreement executed in counterparts as provided in the Agreement.

4313

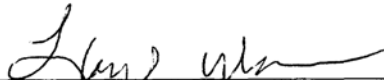
ADOPTED by the Board of Commissioners of Sammamish Plateau Water and Sewer District, King County, Washington, at a regular open public meeting held on the 21st day of January, 2014.

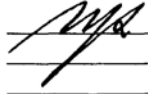
**Individual Commissioner's
Vote on this Resolution:**

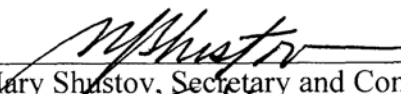
Approved: ✓
Opposed: _____
Abstained: _____
Absent: _____


Robert Abbott, President and Commissioner

Approved: ✓
Opposed: _____
Abstained: _____
Absent: _____


Lloyd Warren, Vice President and Commissioner

Approved: 
Opposed: _____
Abstained: _____
Absent: _____


Mary Shustov, Secretary and Commissioner

Approved: ✓
Opposed: _____
Abstained: _____
Absent: _____


Tom Harman, Commissioner

4313

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**EXHIBIT A
AGREEMENT**

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REC'D JAN 23 2014

NOA 14-02
NOTICE OF ACTION
ISSAQUAH CITY COUNCIL

January 23, 2014

TO: Sammamish Plateau Water & Sewer District
Attn: Commissioner Lloyd Warren
1510 228th Ave. SE
Sammamish, WA 98075

RE: Resolution Relating to the Sammamish Plateau Water
& Sewer District

AGENDA BILL NO: AB 6739

DATE OF ACTION: January 21, 2014

ACTION TAKEN: Approved Resolution No. 2014-01, Related to the Sammamish Plateau Water and Sewer District (District); approving a Memorandum of Agreement with the District; authorizing the Mayor to execute an agreement regarding timing of any assumption of the District; authorizing the administration to negotiate an Interlocal Agreement with the District pursuant to the MOA; and establishing March 17, 2014 as the date for consideration of the draft ILA.

ATTACHMENTS: Resolution 2014-01

Megan Gregor, City Clerk's Office

cc: Bob Harrison, Executive Office
File

0010.90000
WDT/gjz
1/15/14

RESOLUTION NO. 2014-01

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ISSAQUAH, WASHINGTON, RELATED TO THE SAMMAMISH PLATEAU WATER AND SEWER DISTRICT (DISTRICT); APPROVING A MEMORANDUM OF AGREEMENT WITH THE DISTRICT; AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT REGARDING TIMING OF ANY ASSUMPTION OF THE DISTRICT; AUTHORIZING THE ADMINISTRATION TO NEGOTIATE AN INTERLOCAL AGREEMENT WITH THE DISTRICT PURSUANT TO THE MOA; AND ESTABLISHING MARCH 17, 2014 AS THE DATE FOR CONSIDERATION OF THE DRAFT ILA.

WHEREAS, the City and District have a number of outstanding issues that should be resolved, and

WHEREAS, the Mayor and the District have executed a Memorandum of Agreement (MOA) dated January 13, 2014, and

WHEREAS, pursuant to the MOA, the City Council is to consider an agreement which effectuates a portion of the MOA, and

WHEREAS, the other provisions of the MOA are to be covered in an interlocal agreement to be negotiated by the parties, NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF ISSAQUAH, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. The City Council approves the Memorandum of Agreement dated January 13, 2014, signed by the Mayor and the District.

Section 2. The Mayor is authorized to execute the Agreement implementing

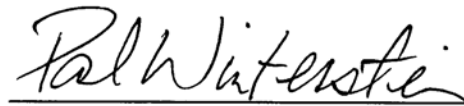
portions of the Memorandum of Agreement as set forth in the agenda bill accompanying this resolution.

Section 3. The Administration is authorized to negotiate a draft interlocal agreement with the District covering the items set forth in the MOA.

Section 4. The draft interlocal agreement shall be considered by the City Council no later than March 17, 2014.

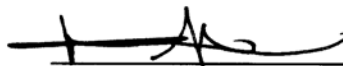
PASSED by the City Council this 21st day of January, 2014.

APPROVED:




PAUL WINTERSTEIN, COUNCIL PRESIDENT

APPROVED by the Mayor this 21st day of January, 2014.



FRED BUTLER, MAYOR

ATTEST:


CHRISTINE EGGERS, CITY CLERK

APPROVED AS TO FORM:

BY: 
OFFICE OF THE CITY ATTORNEY

RESOLUTION NO. 2014-01 / AB 6779

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AGREEMENT

This Agreement (“Agreement”) is made by and between the City of Issaquah, Washington (“Issaquah” or “City”), and the Sammamish Plateau Water and Sewer District (“District”) (individually a “Party” and collectively the “Parties”) for the purposes set forth below.

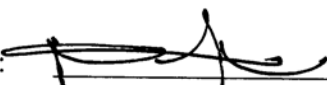
Whereas, the Parties have entered into a Memorandum of Agreement (“MOA”) dated January 13, 2014 which sets forth certain commitments agreed upon by the Parties, and

Whereas, pursuant to that MOA, and in consideration of the terms and conditions set forth herein, the Parties agree as follows:

1. If Issaquah determines to proceed with an assumption of all or part of the District and its property and utility facilities located within Issaquah under Chapter 35.13A RCW, or to allow or to consent to another city proceeding with the assumption of all or part of the District and its property and utility facilities located within Issaquah, within 10 years of March 17, 2014, pursuant to RCW 35.13A.070, Issaquah agrees to only do so with the consent of the District and based on a process and schedule agreed to by the Parties. Provided, the City shall have the right to proceed with a unilateral attempt to assume the District immediately after the expiration of such ten-year period. Beginning no later than year three (3) of the ten-year period, the Parties will undertake three-party discussion, including the City of Sammamish, regarding governance and utility service delivery options relative to the District, Issaquah, and Sammamish. As part of such discussions, the Parties agree to promptly and in good faith provide and disclose non-exempt public records to facilitate the discussion and study process.
2. The District shall not take any formal position with respect to Issaquah’s proposed annexation of the Klahanie PAA relative to the February 11, 2014 election. The District further agrees not to publicly respond to Issaquah’s August 2013 Assumption Study of the District (“Assumption Study”) nor to release any report on the Assumption Study unless required to do so as a matter of law. The City agrees the Assumption Study will not be used in the future with respect to any assumption of all or any portion of the District.
3. The Parties agree to resolve all outstanding claims regarding public records act disputes, agree to withdraw existing public records requests, and mutually waive all claims for alleged violation of the public records act. The City and the District shall bear their own costs and fees associated with those requests and related disputes.
4. Within forty eight (48) hours of the Effective Date of this Agreement, the District shall remove its signs referencing the District’s web site www.letstalkaboutourwater.org, decommission such web site, and de-link such web site from the District’s general web site and remove all related links from the District’s general web site.

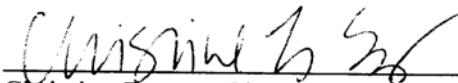
5. This Agreement is made under, and shall be governed by and construed in accordance with the laws of the State of Washington. Venue and jurisdiction of any lawsuit involving this Agreement shall exist exclusively in state and federal courts in King County, Washington. If either Party breaches or threatens to breach this Agreement, the other Party shall be entitled to seek all legal, injunctive or other equitable relief. All terms and conditions of this Agreement shall be subject to enforcement in an action for specific performance.
6. This Agreement shall be effective on the date by which both Parties have executed this Agreement ("Effective Date").
7. This Agreement may be executed in counterparts, each of which shall be deemed an original and with the same effect as if the Parties had signed the same document. All such counterparts shall be construed together and shall constitute one instrument, but in making proof hereof it shall only be necessary to produce one such counterpart.
8. The Parties represent and warrant this Agreement has been duly approved and authorized by their respective legislative authorities, that each Party has the full power and authority to enter into this Agreement and to carry out the actions required of them by this Agreement, and all persons signing this Agreement in a representative capacity represent and warrant they have the full power and authority to bind their respective municipal entities.

CITY OF ISSAQUAH

By:  _____
Fred Butler, Mayor

Dated: 1/21/14

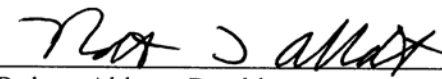
ATTEST:

By:  _____
Christine Eggers, City Clerk

APPROVED AS TO FORM:
OFFICE OF CITY ATTORNEY:


By:  _____
Wayne D. Tanaka

SAMMAMISH PLATEAU WATER
& SEWER DISTRICT

By:  _____
Robert Abbott, President

Dated: 1-21-14

APPROVED AS TO FORM:

By:  _____
John Milne

3/14/82
Sawalla S.D.

AGREEMENT FOR JOINT OPERATION

OF WATER STORAGE FACILITIES

Effective Date: December 30, 1982

INDEX

<u>DESCRIPTION</u>	<u>Page No.</u>
1.0 <u>Purpose.</u>	1
1.1 <u>Existing Conditions.</u>	1
1.2 <u>Goals.</u>	3
1.3 <u>Means.</u>	3
2.0 <u>Definitions.</u>	4
2.1 <u>Reservoir.</u>	4
2.2 <u>Site.</u>	4
3.0 <u>Purchase of Interest in Reservoir.</u>	4
3.1 <u>Price.</u>	4
3.2 <u>Payment.</u>	4
3.3 <u>Condition of Title.</u>	4
3.4 <u>Closing.</u>	4
3.5 <u>Seller's Representations.</u>	5
A. <u>Condition of Property.</u>	5
B. <u>Suitability of Design.</u>	5
3.6 <u>Joint Operations and Maintenance.</u>	5
4.0 <u>Construction of Interties.</u>	5
4.1 <u>Description of Interties.</u>	5
4.2 <u>Plans and Specifications.</u>	5
4.3 <u>Bidding and Contract Administration.</u>	6
A. <u>Control Board.</u>	6
B. <u>Powers and Duties of Control Board.</u>	6
C. <u>Approval by Legislative Bodies.</u>	7

INDEX

<u>DESCRIPTION</u>	<u>Page No.</u>
D. <u>Contracting Agency Construction.</u>	7
4.4 <u>Ownership.</u>	8
4.5 <u>Costs and Payments.</u>	8
A. <u>Sharing of Costs; Definition.</u>	8
B. <u>Establishment of Joint Account.</u>	8
+ C. <u>Financing.</u>	8
D. <u>Bonds.</u>	9
E. <u>Adjustment for Final Cost.</u>	9
F. <u>Interim Financing of Excess Costs.</u>	9
5.0 <u>OPERATION AND MAINTENANCE.</u>	10
5.1 <u>General.</u>	10
5.2 <u>Definitions.</u>	10
A. <u>Jointly Owned Facilities.</u>	10
B. <u>Water Supply Sources.</u>	10
C. <u>Water System.</u>	10
D. <u>Maintenance.</u>	10
5.3	10
A. <u>Powers and Duties of the Control Board.</u>	10
B. <u>Approval by Legislative Bodies.</u>	11
5.4 <u>Maintenance Agency.</u>	12
A. <u>Authority and Responsibility.</u>	12
5.5 <u>Operation.</u>	12
A. <u>Water Supply.</u>	12

INDEX

<u>DESCRIPTION</u>	<u>Page No.</u>
B. <u>Reservoir Draw Down and Replenishment.</u>	13
C. <u>Metering and Measurement of Use of Joint Facilities.</u>	14
D. <u>Supply Control.</u>	15
E. <u>Telemetry.</u>	15
F. <u>Water System.</u>	15
G. <u>Water Quality.</u>	16
H. <u>Emergencies: Notice and Response.</u>	16
I. <u>Purchase of Water.</u>	17
J. <u>Federal, State and Local Regulations.</u>	17
5.6 <u>Maintenance of Jointly Owned Facilities.</u>	17
A. <u>Scheduled Maintenance.</u>	17
B. <u>Records.</u>	18
C. <u>Costs.</u>	18
D. <u>Payment.</u>	19
E. <u>Establishment of Joint Maintenance Account.</u>	19
6.0 <u>Status of the Parties.</u>	20
7. <u>Insurance.</u>	20
A. <u>During Construction.</u>	20
B. <u>After Construction</u>	21
8. <u>Assignment.</u>	21
9. <u>Successor Agencies.</u>	21
A.	21

INDEX

<u>DESCRIPTION</u>	<u>Page No.</u>
B.	21
C.	22
D.	22
10. <u>Miscellaneous.</u>	22
A. <u>Successors.</u>	22
B. <u>Time.</u>	22
11. <u>Approvals</u>	22
12. <u>Disputes</u>	22
A. <u>Arbitration.</u>	22
B. <u>Costs and Attorneys Fees.</u>	22
13. <u>Scope.</u>	23
14. <u>Damage to Facilities.</u>	23
15. <u>Change in proportion of Use.</u>	23
16. <u>Effective Date.</u>	23
17. <u>Term; Termination.</u>	23

AGREEMENT FOR JOINT OPERATION OF WATER STORAGE FACILITIES

Agreement made by and between Water District No. 82 of King County, a water district formed pursuant to the laws of Chapter 57, Revised Code of Washington ("W.D. 82 or "District 82"), and Sahalee Sewer District of King County, a Washington sewer district formed pursuant to Revised Code of Washington, Chapter 56 ("Sahalee"), made at Redmond, Washington.

WITNESSETH:

Whereas:

L0 Purpose. This agreement provides for the Sahalee Sewer District (Sahalee) and King County Water District No. 82 (District 82) to commonly own, operate, and maintain an existing 3.0 million gallon reservoir (currently owned entirely by District 82) and three (3) separate interties between the adjacent water systems of Sahalee and District 82 to be jointly constructed under the terms of this agreement. The scope of this agreement is limited to the joint ownership, operation, and maintenance of the specific water system facilities identified herein and shall not be construed as indicating an intent by either Sahalee or District 82 to participate in the ownership, operation, and maintenance of any other water system facilities, currently existing or proposed for future construction.

L1 Existing Conditions. The following existing conditions are precedent to this agreement:

A. Sahalee has, by its Resolution No. 578, as amended by its Resolution No. 605, adopted a General Plan for a complete water system providing for the establishment of a water system through the acquisition and purchase of the Water System of the Sahalee Water Company, Inc. The establishment of a water system by Sahalee has been approved by the King County Boundary Review Board in accordance with the requirements of RCW 36.93.090(4). The Sahalee General Plan for a complete water system has been approved by the King County Council, the designated King County Director of Health, and the designated King County Engineer in accordance with the requirements of RCW 57.16.010.

B. District 82 has adopted a General Plan for a complete water system. Said Plan and its amendments as set forth in the adopted resolution no. A-

426 and Engineering Report of District 82 have been approved by the King County Council, the designated King County Health Director, and the designated King County Engineer in accordance with the requirements of RCW 57.16.010.

C. Sahalee has entered into an agreement with the Sahalee Water Company, Inc., for the purchase and acquisition of the Water System of the Sahalee Water Company, Inc., located wholly within the legal boundaries of Sahalee. The purchase and transfer of title to the Water System in accordance with terms of this Agreement are to be completed on or before December 31, 1982.

D. Sahalee and District 82 have previously entered into an Agreement dated October 22, 1982. This Agreement provides, in part, the following:

(1) The establishment of a common east/west boundary between the water service areas of the parties at NE 20th Street.

(2) The cooperation in the planning and construction of hydraulically compatible interties between water systems for the purpose of enhancing the reliability of service to the parties' customers and to enable the potential joint use of facilities.

(3) To cooperate in the planning, construction, and use of source, storage, and transmission facilities consistent with the best interests of their present and future ratepayers and to provide for the development of water system facilities which are mutually compatible with and complimentary to the facilities of each system.

E. Sahalee and District 82 have jointly authorized and funded an engineering study for the purpose of cooperatively planning for the water service needs of their adjacent water system service areas in accordance with the terms and intent of the October 22, 1982, Agreement. This study has recommended the establishment of hydraulically compatible pressure zones and the implementation of joint use of District 82's existing 3.0 million gallon reservoir through the construction of three (3) interties between the systems in the 700 hydraulic elevation pressure zone and the coordinated operation of water supply to this portion of both water systems.

The study concludes that the recommendations are in accordance with the intent of the Agreement and that the best interests of each party's existing and future ratepayers will be met by their implementation.

1.2 Goals. The goals of this Agreement are to (1) insure and increase reliability in meeting the normal and emergency Water System's demands of both Sahalee and District 82 and (2) to realize the economies available through the joint ownership, operation, and maintenance of water system facilities over the ownership, operation, and maintenance of independent facilities providing identical service.

1.3 Means. The purpose and goals of this Agreement are intended to be accomplished by the following means:

A. Sahalee shall purchase and District 82 shall sell, a fifty (50) percent undivided interest in its existing 3.0 million gallon reservoir as described and in accordance with the price, terms, and conditions as set forth in Section 3.0.

B. Sahalee and District 82 shall construct three (3) system interties and related telemetry and control facilities to allow the joint use of the 3.0 million gallon reservoir. The description of the facilities, their cost, the joint responsibility for the cost, the facility ownership, and the schedule for their completion are all as more fully set forth in Section 4.0.

C. Sahalee and District 82 shall agree to the operation of their Water System facilities and the jointly owned 3.0 million gallon reservoir and interties in such a manner as to maintain acceptable water service conditions to the customers in each System and to limit its demands on the jointly owned facilities. The specific conditions for operation of the jointly owned facilities are all as more fully set forth in the Agreement.

D. Sahalee and District 82 shall agree to provide and to equally pay the cost of required, normal, and routine maintenance and required, periodically scheduled maintenance and repair and/or replacement of the jointly owned facilities. The specific conditions for providing for the maintenance of the jointly owned facilities are all as more fully set forth in the Agreement.

E. The Sahalee purchase of the one-half interest in the 3 million gallon reservoir and the payment for its share of the interties to be constructed in accordance with the terms of this Agreement are to be provided by funds provided to Sahalee by the Sahalee Water Company, Inc., under the terms of the Water System Purchase Agreement, which funds were collected and received by the

Sahalee Water Company, Inc., under the terms of several water service agreements for the specific purpose of acquiring water storage and supply facilities necessary to the services of the water system.

NOW THEREFORE, the Parties hereto do hereby agree as follows:

2.0 Definitions. As used herein the words defined below shall have the following definitions:

2.1 Reservoir. Reservoir shall mean the 3 million gallon water storage reservoir and appurtenant facilities owned by District 82 as more fully described in Exhibits A-1 and A-2 attached hereto and by this reference incorporated herein.

2.2 Site. The term site shall mean that certain real property upon which the reservoir is located, the approximate address of which is 22025 N.E. 12th Place, Redmond, Washington and which is legally described as set forth in Exhibit A-3 attached hereto and by this reference incorporated herein.

3.0 Purchase of Interest in Reservoir. District 82 agrees to sell and Sahalee agrees to purchase an undivided interest in and to the reservoir and appurtenant facilities described in Exhibits A-1 and A-2 hereto, and the site legally described on Exhibit A-3 attached hereto.

3.1 Price. The price shall be \$287,388.17, provided that of such price the sum of \$238,601.60 shall be deposited in the Water District 82 1958 revenue bond fund (parity), and the sum of \$48,786.58 be deposited into the joint construction fund to be created under paragraph 4.5.B. hereof.

3.2 Payment. The terms of payment shall be all cash at closing.

3.3 Condition of Title. Title of District 82 is to be free of encumbrances except the terms and conditions of that certain agreement entered into by and between Carma Developers (Washington) Inc., a Washington corporation, and Charles Henderson Co., and King County Water District No. 82, a municipal corporation, and King County, a political subdivision of the State of Washington and a municipal corporation, dated February 22, 1979. Water District 82 shall furnish to Sahalee a WLTA standard form policy of title insurance and as soon as practical prior to closing, a preliminary commitment therefore, issued by Pioneer National Title Insurance Co. The title policy to be issued shall contain no exceptions other than those provided in said standard form plus the encumbrances or defects noted in this paragraph.

3.4 Closing. This transaction shall be closed in the offices of Jonson & Jonson, P.S. on or before December 31, 1982. At time of closing, each Party shall

furnish the funds, papers, documents and things required to be so furnished herein. Sahalee shall be entitled to possession of the property conveyed herein upon closing.

3.5 Seller's Representations. Seller represents and warrants to Purchaser as an inducement to enter into this transaction as follows:

A. Condition of Property. That the reservoir was constructed in accordance with the plans and specifications and Section D-100-79 of the standards of the American Water Works Association; maintained in accordance with standards in the industry; and such reservoir is in good condition and free of any material defects.

B. Suitability of Design. That the design of said reservoir is reasonably suitable for the purposes, uses and operations described in this Agreement.

3.7 Joint Operations and Maintenance. After closing, the parties shall jointly operate and maintain the reservoir and site in accordance with the terms of this agreement pertaining to operation and maintenance of joint facilities.

4.0 Construction of Interties. The parties shall jointly construct the interties connecting the water systems of District 82 and Sahalee as described in subparagraph 4.1 herein (hereafter referred to as "construction" or "project") in accordance with the terms and conditions hereafter set forth.

4.1 Description of Interties. The interties to be constructed shall be constructed on the locations and in accordance with descriptions set forth in Exhibits B-1, B-2, and B-3 attached hereto and by this reference incorporated herein.

4.2 Plans and Specifications. Subject to final approval by each District, construction plans and specifications therefor shall be prepared by RH2 Engineering, which firm is a consulting engineer for District 82 and primary consulting engineer for Sahalee Sewer District said plans shall be consistent with and shall contain sufficient detail to construct the interties generally described in Exhibits B-1, B-2 and B-3 herein. In the event a dispute shall arise between the parties concerning such plans and/or specifications, and such dispute cannot be settled amicably by the parties, such dispute shall be arbitrated in accordance with paragraph 12 hereof.

4.3 Bidding and Contract Administration.

A. Control Board. There shall be a Control Board consisting of one Commissioner from the Board of each of the parties. Each of the parties shall appoint one member and one alternate of the Control Board, and may recall him and appoint another in his place at any time. The board may by unanimous vote of all its members adopt rules of procedure governing its operation. Decisions shall be made only by unanimous approval. Meetings of the Control Board, other than regularly scheduled meetings, may be called by either member on written notice sent by certified mail at least three days before the date of the meeting.

B. Powers and duties of Control Board.

(i) The Control Board shall have general supervision of the construction of the project which shall be in strict accordance with the plans and specifications prepared by RH2 Engineering, and shall consult as necessary with RH2 Engineering concerning supervision of construction, and financing of the project.

(ii) From time to time as determined by the board, and on request of any of the parties, the board shall meet with the governing bodies of the parties for the purpose of reporting on the progress of the project and of receiving instructions and recommendations.

(iii) The board shall have the power:

To recommend approval of the plans prepared by the engineers for the project, which plans are subject to the approval of each District;

To determine the timing of the various stages of the project;

To recommend calling for bids.

To recommend approval of contracts for construction;

To approve orders for changes during construction; provided, that as to each facility, no change order shall be approved which, together with all change orders previously approved for the facility, will result, as estimated by the engineers, in an increase of more than five per cent of the contract price, unless the same be approved by the legislative bodies of the parties entitled to benefit from the facility;

To determine the successful bidder for each construction contract;

To recommend acceptance of the work done under each contract;

(iv) The board shall certify to the parties the amounts of any surplus or deficiency in the Joint Construction Fund following completion of the project required to be refunded or made up by each party.

C. Approval by legislative bodies. As to each intertie to be constructed, the following matters must be approved by the legislative body of each of the parties entitled to benefit from the facility:

- (i) Final design and call for bids.
- (ii) Awarding construction contracts.
- (iii) Final acceptance from the contractor.

Any party may, by resolution of its legislative body, delegate to the Control Board authority to approve on its behalf all or any part of the foregoing.

D. Contracting Agency Construction. As between the parties, Sahalee is designated as the Contracting Agency and shall have the power, authority and responsibility to carry out the construction contemplated herein, and shall be subject to the control of the Control Board as heretofore provided. Except for the sale of bonds, all contracts affecting the project shall be entered into in the name of Sahalee. Vouchers for claims payable from the Joint Construction Fund shall be approved by the commissioners of each of the parties. Sahalee shall furnish to the other parties a monthly account of all receipts and disbursements from the fund. Upon approval of the project by the Control Board, Sahalee shall be reimbursed, as part of the cost of the project, for any administrative expense reasonably incurred by the Sahalee in carrying out its duties as contracting agency during the course of construction. Sahalee shall have the full power and authority to carry out the project, subject to the control of the Control Board.

Either District may construct all or a portion of such intertie or interties which will ultimately belong to it under the terms of this agreement, or such additional portions as the parties may agree in writing, providing such construction shall be:

(i) Subject to all terms, conditions and covenants of this agreement; and

(ii) In strict accordance with the plans and specifications therefor provided by RH2 Engineering; and

(iii) Inspected and certified as conforming to such plans and specifications by an independent inspector chosen by the other District; and

(iv) Be in strict compliance with the laws, rules and regulations pertaining to public bidding and public work contracts; and

(v) Neither party shall charge the joint construction fund in amounts in excess of the actual costs for labor and materials for the work, if any such work be performed.

4.4 Ownership. The ownership interest of the parties in and to the interties to be constructed shall be as set forth in Exhibit C hereto.

4.5 Costs and Payments. Each party shall pay their share of the costs for such construction in accordance with the following terms and conditions:

A. Sharing of Costs; Definition. Each of the parties shall pay one-half the costs incurred for construction of such interties. The term costs shall include but not be limited to those costs defined in Exhibit D-1 attached hereto and by this reference incorporated herein. In addition, the contracting party shall be paid such additional costs to reimburse said party for the costs of administering the contract as are defined in Exhibit D-2 attached hereto.

B. Establishment of Joint Account. Sahalee will cause to be established in the office of the King County Treasurer an account entitled "Sahalee Sewer District/Water District 82 Joint Construction Fund." This account will be used solely for receiving and disbursing funds for the cost of the project construction. Subject to the approval of each Districts' Board of Commissioners, vouchers will be prepared by Sahalee and submitted to the King County Office of Budget and Accounts for issuance of warrants payable by the King County Treasurer from the Joint Construction Fund.

C. Financing. Each party shall, within forty-five days after the execution hereof, deposit ten percent of its share of the project costs and pay the same into the construction fund. Within thirty days after receiving from RH2 Engineering a firm estimate as to the project costs, but in no event later than April

1, 1983, each party shall deposit the balance of its share of such costs into said fund. Each party shall promptly certify to the Control Board, the date of each such deposit. It is anticipated that the contracting agency will issue warrants from month to month to pay the installments due the various contractors as the work progresses. Each party's proportionate share of the monthly cash requirements as determined by the Control Board shall be paid into the joint construction fund not later than the date specified by the Control Board, but not more than one month prior to the date on which each party will be required to pay into the joint construction fund, based on preliminary estimates of cost by the engineers is as follows:

Water District 82	\$103,000
Sahalee	103,000

The estimated shares may be revised from time to time as necessary to reflect actual contract prices, change orders and other adjustments normally to be expected in the course of the project.

D. Bonds. Each party reserves the right to fix the maturities, interest rates and other particulars of its bonds, and to sell them in such manner as it may choose. Each party agrees to take such action as may be necessary to secure the successful issuance and sale of its bonds in the amount necessary to produce its share of the estimated project cost.

E. Adjustment for Final Cost. The project being made up of a number of facilities, and the beneficial interest of each party in each facility being unequal, and not uniform as to all facilities in the project, it is the intent of this agreement that the final cost of each facility, as determined by the engineers, shall be shared equally. Upon completion of the project, the engineers will prepare a statement of the actual cost of construction of each facility. Overhead costs other than construction costs, not attributable directly to a particular facility, such as professional fees, warrant interest, and administrative overhead shall be allocated among the facilities in proportion to the cost of construction of each.

F. Interim Financing of Excess Costs. In the event the cost of the project should exceed the funds on hand in the Joint Construction Fund, RH2 Engineering shall certify to each party the amount due to pay such excess and each

party shall deposit one-half of said amount in the Joint Construction Fund within twenty days after receipt of such certification.

5.0 OPERATION AND MAINTENANCE.

5.1 General. The parties shall operate and maintain the jointly owned facility as follows.

5.2 Definitions.

A. Jointly Owned Facilities. "Jointly Owned Facilities" include the 3.0 million gallon reservoir as described in Exhibit A hereto and the facilities to remain jointly owned as designated in Exhibit C hereto.

B. Water Supply Sources. "Water Supply Sources" shall mean the Sahalee and District 82 groundwater or other water supply resource together with related pumping equipment and controls and water supply booster pump stations which provide water supply to the customers of each water system which are connected to a portion of each water system utilizing the water storage provided by the jointly owned 3.0 million gallon reservoir.

C. Water System. "Water System" shall mean all water supply sources, transmission, distribution, and related facilities of Sahalee and District 82 connected to and dependent upon use of the jointly owned 3.0 million gallon reservoir as the primary or sole facility to provide necessary normal and emergency source of stored water.

D. Maintenance. "Maintenance" shall mean and include inspection, testing, adjustment, lubrication, repair, improvement, upgrading and replacement of component parts, portions, and all of the several facilities comprising the jointly owned facilities.

5.3 The Control Board established in Section 4.3.A. of this Agreement for the construction of interties shall be responsible for the operation and maintenance of the jointly owned facilities in the following respects:

A. Powers and Duties of the Control Board.

(i) The Control Board shall meet annually and review operating reports on the operation and maintenance of the jointly owned facilities to be provided by each of the Districts each quarter.

(ii) From time to time as determined by the board, or on request of any of the parties, the board shall meet with the governing parties for the purpose of reporting on the status of the operation and maintenance and of receiving instructions and recommendations.

(iii) The board shall have the power:

- To determine the timing of maintenance to be performed on the jointly owned facilities which exceeds a cost of \$1,000;
- To recommend the call for bids for such maintenance;
- To recommend approval of contracts for maintenance;
- To approve orders for changes to the maintenance contract, provided that as to each facility, no change orders shall be approved which together with all change orders previously approved by the facility will result, as estimated by the engineers, in an increase of more than 5 percent of the contract price, unless the same be approved by the legislative bodies of the parties entitled to benefit;
- To determine the successful bidder for each maintenance contract;
- To recommend acceptance of the work done under each contract.

(iv) The board shall certify to the parties the amounts of any surplus or deficiency in the Joint Maintenance Fund following completion of the maintenance required to be refunded or made up by each party.

(v) The Board shall review the operational records of the jointly owned facilities and may make recommendations to either Party for the improvement of their System.

(vi) The Board shall provide to each Party as of October 1 of each year, a budget for planned maintenance for the next year to provide a sufficient amount of time to provide the maintenance funds.

B. Approval by Legislative Bodies. As to each maintenance expense which exceeds \$1,000, the following matters must be approved by the legislative body of each of the Parties:

- (i) Call for bids.
- (ii) Awarding maintenance contracts.
- (iii) Final acceptance from the contractor.

Any Party may, by resolution of its legislative body, delegate to the Control Board authority to approve on its behalf, all or any part of the foregoing.

5.4 Maintenance Agency. As between the Parties, District 82 is designated as the Maintenance Agency and shall have the power, authority, and responsibility set forth in Paragraph A herein and shall be subject to the control of the Control Board.

A. Authority and Responsibility. District 82 is responsible for assembling and keeping all records of operation and maintenance and the cost thereof for the jointly owned facilities. Such records are to be provided by the Maintenance Agency to either Party or the control board at their request. All contracts affecting the maintenance of the jointly owned facilities shall be entered into in the name of District 82. Vouchers for claims payable from the jointly owned facilities' Maintenance Fund shall be approved by the commissioners of each of the Parties. District 82 shall furnish to the other Parties a monthly account of all receipts and disbursements from the fund. Upon approval by each of the parties, District 82 shall be reimbursed, as part of the cost of the project, for any administrative expense reasonably incurred by the District in carrying out its duties as the Maintenance Agency. District 82 shall have the full power and authority to carry out the maintenance described herein subject to the Control Board.

5.5 Operation. Each Party controls its own withdrawal and replenishment of the reservoir, which will provide water supply as well as pressure to each of the Party's water systems. The Parties thus agree to operate the jointly owned facilities, and to operate their respective water systems in accordance with the following terms and conditions:

A. Water Supply. Each Party agrees to maintain sufficient water supply source capacity and necessary related pumping capacity, equipment, and controls to supply, at any time required, a volume of 867 gallons within a continuous 24-hour period and sequence of consecutive 24-hour periods for each customer meter connected to its Water System served by the jointly owned facilities. Should either Party's water supply capacity not meet this requirement, such party shall immediately proceed to acquire such adequate source and pumping capacity, equipment and controls, such party shall immediately discontinue the connection of new customer meters to its Water System served by the jointly

owned facilities and shall not allow further customer meter connections until this deficiency is corrected.

B. Reservoir Draw Down and Replenishment. The parties shall operate the jointly owned facilities and their own water systems in accordance with the following conditions for the lowering of the water surface elevation in the 3.0 million gallon reservoir and the replenishment or replacement of the water used through the draw down.

(i) Normal Domestic Demands. The Parties agree to restrict the draw down or lowering of the hydraulic elevation of the water surface from the overflow elevation of 700 feet to 672 feet for normal domestic demands. Normal domestic demands shall include all annual water use demands of the connected customer meters. The critical periods of draw down will be during summer months when normal demands are at or near maximum levels for one or more consecutive days. During these periods, each Party shall control and operate its source or sources of water supply to replenish or replace the volume of water it has withdrawn from storage within any 24-hour period by the end of the period. The 24-hour period shall begin at 6:00 a.m. and end at 6:00 a.m. the following day. Replenishment or replacement of water used from storage by each Party during non-peak normal domestic demand periods (winter non-irrigation months) shall meet the same criteria as stated above except that the managers of each Party may establish and agree to alternate operating criteria during these non-peak normal domestic demand periods which are of mutual benefit provided that during these periods, the hydraulic water level elevation of the reservoir is not lowered below 672 feet, and further provided that such agreement may be revoked by either party at any time.

(ii) Emergency Fire Demand. Either party may withdraw water from the reservoir to meet each System's fire flow requirement during a period of maximum peak normal domestic demand or at other times, if required. This criteria anticipates one fire in either Party's Water System and that two such fires will not occur in the same 24-hour period. To assure that water from storage can be provided in the maximum volumes required while maintaining required minimum pressures at all points in each Party's Water System, the Parties agree that neither

District shall draw down or lower the hydraulic elevation of the water surface to less than hydraulic elevation 652 feet.

(iii) The Parties agree to replenish or replace the volume of water they have withdrawn from storage as follows:

(a) Volume used and withdrawn for normal domestic demand in accordance with the requirements set forth above under normal domestic demands.

(b) Volume used and withdrawn for emergency fire flow within 72 hours of the time of use.

(iv) Other Emergencies. The Parties recognize the potential of emergency conditions such as failure of water system facilities, power interruptions, natural disaster, the simultaneous occurrence of more than one fire or other sudden occurrences. Should such other emergencies occur, each Party or both Parties may withdraw from the reservoir such volumes of water as is available without regard to the draw down of the hydraulic elevation of the water level. Further, each Party agrees to apply all of its available Water System resources to meet such emergency condition and to establish such conservation measures as may be necessary for a period not to exceed seven (7) consecutive calendar days for each such emergency. Nothing herein shall be construed to require such assistance and cooperation beyond such seven day period. The Parties recognize and agree that the occurrence of such emergencies may adversely affect customer service and Water System service conditions equally in each of the Party's Water Systems. The Parties further agree to apply all Water System resources to the restoration of normal operation conditions and the refilling of the reservoir as soon as practical following such emergency without regard to use or withdrawal of stored water or other water source by either Party.

C. Metering and Measurement of Use of Joint Facilities.

(i) The interties to be constructed by the Parties under this Agreement provide for the installation of metering equipment at each connection between the Parties' Water Systems. These metering facilities may include either a single meter measuring both in forward and reverse or two meters with flow routed through one meter in one direction and flow in the opposite direction routed through the second meter.

(ii) Measurement of Flow. The measurement of the volume of flow between systems in any period shall be the sum of the net directional volume at each metering facilities at the end of the period less the same sum at the beginning of the period.

(iii) Measurement of Volume. The Parties shall record the volume of water removed from storage by either party by the following means:

(a) By Sahalee. The sum of the net directional volume at each metering facility. If the sum so determined flowed into the Sahalee System, then that volume will represent the volume removed by Sahalee from storage. If the sum so determined flowed into District 82's System, then that volume has been put into storage by Sahalee.

(b) By District 82. The volume removed by District 82 shall be determined with reference to fluctuation in reservoir levels adjusted for the volume of water removed or put into storage by Sahalee as determined above.

D. Supply Control. Each of the Parties shall operate and control their water supply sources and pumping equipment to accomplish the reservoir operating conditions as set forth in Paragraph B above. Sahalee shall measure its replenishment of the reservoir by monitoring its flows at the metering facilities at the interties. Water District 82 shall measure its replacement by monitoring the water level in the reservoir.

E. Telemetry. The jointly constructed interties provide for improvements to the telemetry and control facilities of each Party necessary for monitoring and control of the jointly owned facilities. Each Party shall make such other additions, if any, to their telemetry and control facilities as are necessary to assure their performance in accordance with the conditions set forth in this section. The maintenance, repair, and replacement of these jointly constructed telemetry and control facilities shall be the individual responsibility of the Parties to assure their reasonable, continued operation necessary to the operating conditions.

F. Water System. Each Party covenants and agrees to improve as necessary and to maintain and operate its Water System connected to the jointly

owned facilities in a manner to assure its continuous ability to meet the operational conditions set forth in this section.

G. Water Quality.

(i) General. Each Party agrees and covenants to maintain a reasonable water quality from each source of supply and within its Water System connected to the joint use facilities. As a minimum, the chemical, bacteriological, and other parameters for the measurement of water quality shall meet the standards and regulations of all governing Federal, State, and local agencies. Each Party will be responsible for all improvements and costs, if any, necessary to meet these requirements for water quality.

(ii) Chemicals. The addition of chemicals to either party's water supply shall be prohibited except to the extent necessary to comply with applicable statutes, rules and regulations duly passed by federal and state agencies, and to the extent the parties may further agree in writing as is necessary to cure aesthetic problems with the water supplied by either District to the other, such as those caused by hydrogen sulfide. The application of any such chemicals, including the rate of application, and the residual in the system, shall be in strict compliance with applicable federal and state regulations and as a further condition, such chemicals shall only be applied at a rate no greater than that necessary to treat the specific problem encountered. Any application of chlorine for treatment of hydrogen sulfide or sulfide related problems shall be such that there is no more than one-tenth of one part per million of chlorine in such water supply immediately following the application. Failure to enforce this provision shall not prohibit the subsequent enforcement thereof.

H. Emergencies: Notice and Response.

(i) In the event of an emergency condition occurring in either Party's Water System, the other Party shall be immediately notified. The Managers of each Party's Water System shall establish the procedures for such notification providing as a minimum a priority of names and telephone numbers for the required notification. The Party so notified shall immediately provide all assistance available and necessary to the other Party and shall modify his System's operation and control as necessary to meet the emergency in accordance with the intent of this operation section.

(ii) Reimbursement. In the event of such emergency, the party suffering the emergency shall reimburse the other party for all labor incurred by the other party in responding to such emergency, and for any other costs reasonably allocable to such emergency.

I. Purchase of Water.

(i) General. This agreement does not provide for nor is it the intent of the Parties to provide on a continuous basis water supply to the other Party. No such future intent is contemplated by the Parties. However, in the event of an emergency, either Party may be required to provide a source of supply to the other Party for a short period of time, not to exceed seven (7) days until the condition causing such emergency has been corrected. Neither shall be obligated to provide the other water for any greater period. No payment for water supply under these conditions is required provided that the volume of water used is replaced within one week by the Party using the same.

(ii) Metering. The intertie meters shall be read and recorded once monthly on or about the last day of each month. Should the meters show a net supply of water to one of the Parties water systems for two consecutive months of more than 100,000 gallons per month, the Party using such water shall, within 10 days after the meter reading establishing such use, issue a voucher to King County directing a warrant to be issued to the other for such usage at a rate equal to the higher of the two Parties commodity rate charged to residential customers for water use. The Party using such water shall continue to pay therefore at such rate until such usage shall cease.

J. Federal, State and Local Regulations. Each party agrees and covenants to comply with all federal, state and local regulations in the operation of its water system connected to the jointly owned facilities.

5.6 Maintenance of Jointly Owned Facilities. The jointly owned facilities shall be maintained as follows:

A. Scheduled Maintenance. The following maintenance activities will be performed according to the following schedule:

<u>ACTIVITY</u>	<u>INTERVAL</u>
1. Inspect reservoir coating system - internally and externally	Annually
2. Inspect, test, and lubricate all isolation, air vacuum and control valves	Annually
3. Test and calibrate intertie flow meters	Every 2 Years
4. Test and calibrate telemetry information and control capabilities	Quarterly
5. Repair any component working improperly	As needed

B. Records. The Maintenance Agency shall keep a record indicating all component's maintenance schedule and the actual maintenance performed. The record of the maintenance performed shall include the date, maintenance person's name, time, condition of equipment, current reading or indication displayed on equipment, a description of the maintenance performed and suggestions for additional maintenance or repairs to be performed and such record shall be available to the other Party at all times during normal work hours, and the Maintenance Agency shall provide the other system upon request with copies thereof at Maintenance Agency's actual cost. Additionally, the equipment or component shall be labelled or tagged with information stating the most recent date of inspection or maintenance and the person's name who accomplished the maintenance.

C. Costs.

(i) The cost for providing maintenance shall be computed using the rates for personnel and equipment shown in the attached Exhibit E. Materials used in the maintenance activities shall be billed at actual cost. The Maintenance Agency shall coordinate all maintenance activities and utilize personnel and equipment from both Parties, as they are reasonably available to do the previously stated maintenance. A computation of the costs incurred in performing the maintenance by each Party shall be accomplished quarterly and submitted to the Control Board for payment.

(ii) Changes necessary in the hourly rate schedule to reflect increased costs or other unforeseen circumstances shall be mutually agreed upon by the Managers of both Districts.

(iii) An average monthly cost for normal maintenance has been estimated to be \$100 per month for each Party. This does not include the cost of repainting or repair to any of the major components of the jointly owned facilities.

The amounts stated are based on estimated costs to maintain and operate the jointly owned facilities. The amounts are to be adjusted in the future by the Managers to conform to changes in costs or as the result of experience in administering the project so that both Parties will be fully reimbursed for the actual cost of maintenance performed. In addition to the fixed monthly expense

described in the preceding paragraph, certain items of maintenance may need to be performed that have not been identified in the fixed monthly expense schedule. The cost of this work will be shared equally.

D. Payment.

(i) The amounts to be paid by each Party for maintenance to the jointly owned facilities Maintenance Fund shall commence on the first day of the month following the month in which this Agreement is executed. Each Party's payment to the jointly owned facilities' Maintenance Fund shall become due on the first day of each calendar month. Each Party shall pay by the twentieth day of the month after which time the billing will be delinquent. Charges omitted in one month may be billed in the following month. Delinquent charges shall accrue interest on the unpaid balance at the rate of 12 percent per annum from the date of delinquency until paid. Each Party irrevocably covenants, obliges and binds themselves to pay the applicable rates and payments referred to in Exhibit E and this section. These payments shall be maintenance expenses and shall expressly be made a part of the maintenance expenses of the Parties budgets in future bond issues or other financing payable in whole or in part from the revenue of the Systems.

(ii) It is recognized that District 82 may have outstanding revenue bonds payable in whole or in part from the gross revenues of its Water System. Nothing in this Agreement is intended to violate nor shall it be construed to violate any covenants respecting those outstanding bonds and such covenants to the extent there is a conflict between them and this section shall control with respect to such outstanding bonds and bonds issued on a parity therewith.

(iii) At the end of every calendar year, if the balance in the Joint Maintenance Fund exceeds \$2,000, the Parties may be reimbursed the amount in excess of \$2,000 or the Parties can apply the excess against future fixed monthly charges to the jointly owned facilities' Maintenance Fund. In no event shall the balance in the fund be less than \$2,000 as the result of a reimbursement because of excess funds.

E. Establishment of Joint Maintenance Account. District 82 will cause to be established in the office of the King County Treasurer an account

entitled "Water District 82/Sahalee Sewer District of King County Jointly Owned Facilities Maintenance Fund," herein referred to as the Maintenance Fund. This account will be used solely for receiving and disbursing funds for the cost of maintenance. Subject to the approval of each Board of Commissioners, vouchers will be prepared by District 82 and submitted to the King County Office of Budget and Accounts for issuance of warrants payable by the King County Treasurer from the Maintenance Fund.

6.0 Status of the Parties. This Agreement shall not be construed to establish a partnership or any other legal relationship between the parties hereto except as common owners of a one-half undivided interest in the jointly owned facilities. If either party should become liable for the tortious act of the other, however, the acting party agrees to defend, indemnify and hold harmless the non-acting party from any and all liability arising out of such act or acts, including attorney fees and costs in connection with any litigation or controversy with respect thereto.

7. Insurance.

A. During Construction. Builder's All Risk Insurance during the construction period shall be provided at the expense of the contractor or contractors as a part of the cost of the project, and such insurance shall name District 82 and Sahalee as additional named insureds. In addition, each contractor shall be required to provide liability insurance in such amounts and such coverages as shall be determined by the Control Board which shall be reasonably sufficient to protect the parties against liability arising from such construction.

B. After Construction. Each party may but shall not be required to maintain casualty insurance for all risks of direct physical loss from external cause on the jointly owned facilities to the extent, of their interest at the current replacement cost of such improvements, which costs shall be updated annually. Nothing shall prohibit the parties from further agreeing that one of the parties shall provide such insurance naming the other party an additional named insured, and for the sharing of costs of such insurance.

Each party shall maintain public liability insurance with combined single limits of not less than \$1 million insuring losses arising from or out of the joint facilities.

8. Assignment. Except as set forth herein, neither party may assign, sell, transfer, convey or otherwise allow any other person, corporation, partnership, firm or other entity to in any way use either the reservoir or the interties without the prior written consent of the other party, which may be withheld for any reason.

9. Successor Agencies. It is recognized that one or more of the parties may, during the term of this agreement, merge with or annex to another municipal corporation which may not be a party to this agreement, or may be dissolved by operation of law, or may be divided between two or more other municipal corporations, or may lose the right to serve all or part of its territory because of annexation by another municipal corporation or may, for some other reason not now foreseen, cease, either in whole or in part, to furnish water to all or part of its present territory. The parties recognize the difficulty of providing for the effect of every such possible contingency on the operation of this agreement. The parties do, however, agree on the following principles and procedures, which shall apply so far as practicable, in case of any change of the nature described in the preceding sentence:

A. No change in this agreement shall be made which will impair the security of the holders of any bonds issued to pay for the project.

B. The parties, being municipal corporations, exist for the purpose of serving the inhabitants within their respective boundaries. No change shall be made which will reduce the service or increase the cost to any substantial area served by the project, differently from the rest of the area which is served.

C. In the event of a change of boundaries by annexation or consolidation of a part or all of the territory of one of the parties which is served by the project, the parties agree to negotiate in good faith for any amendments to this agreement necessary to insure that the cost of constructing and operating the project, and the benefits from its use, shall be shared equitably among such public agencies as shall have jurisdiction over the area in which the project is located and which it is designed to benefit.

D. If all of that portion of the area of one of the parties to this agreement which is served or designed to be served by the project should be annexed to a city or other District, the city or other District shall succeed the district as a party, and shall assume all rights and obligations of the District whose interest is assumed.

10. Miscellaneous.

A. Successors. This Agreement shall be binding upon the heirs, successors and assigns of the Parties hereto.

B. Time. Time is of the essence in this Agreement.

11. Approvals. Each party shall approve the acceptance and adoption of the terms and conditions hereof by resolution and provide the other party with a certified copy of the same. Each party represents to the other that it has the full power and authority to enter into this agreement and to bind itself to and to perform each and every term, covenant and condition herein, and that to do so will not violate any other agreement, contract, resolution or bond covenant of the respective Districts.

12. Disputes. Any dispute arising hereunder shall be determined in accordance with the following terms:

A. Arbitration. In the event of a dispute arising between District 82 and Sahalee as to any term, condition, covenant, duty or obligation hereunder, or the interpretation or construction of any clause or term hereof, all such questions shall be submitted to arbitration under the procedures of the American Arbitration Association.

B. Costs and Attorneys Fees. In the event it is necessary for either party to obtain the services of counsel to enforce any term hereof, the unsuccessful

party in such dispute as determined by the arbitrator, shall pay to the other party all of the other party's costs and attorneys fees, including the costs of depositions and expert witnesses, incurred in such dispute. For the purpose of this subparagraph, actual attorneys fees shall be presumed to be reasonable, however, such presumption is rebuttable.

13. Scope. The scope of this agreement is expressly limited to the construction, maintenance and operation of the reservoir and interties and shall not be construed to impose any obligation on either party not expressly required to carry out the terms of this agreement.

14. Damage to Facilities. In the event the reservoir or any intertie constructed hereunder is destroyed or irreparably damaged from any cause, the facility so destroyed or damaged shall be promptly replaced by the parties and the cost thereof shall be paid in the same proportion as the ownership of the facility destroyed or damaged. Each party agrees to apply any insurance proceeds received as a result of such damage or destruction towards the cost of such replacement if not prohibited from doing so by bond covenants binding upon such district. The parties may agree that such facilities may not be reconstructed and in such event, the proceeds of any insurance shall be retained by the parties in the same proportion as premiums paid therefore. In the case of termination, the reservoir may be disposed of by the Parties together with the site, for the best price obtainable. The proceeds shall be shared by each Party to the percentage of participation in the facility applicable at that time.

15. Change in proportion of Use. The parties may agree to adjust the percentage of use to which they may be entitled under the terms of this agreement either as a permanent amendment to this agreement or as a temporary arrangement, and may agree that one party will pay the other on an agreed basis for such temporary use of all or part of the parties contract share of the reservoir.

16. Effective Date. The effective date of this agreement is December 27, 1982.

17. Term; Termination. This Agreement shall be effective from the effective date setforth herein and shall continue for a period of fifty (50) years thereafter or until such time as the subject property has been sold and the proceeds of sale have been distributed.

APPROVED BY RESOLUTION NO.
A-486, dated Dec 27 1982.

By: Rueh H. Skovron
Commissioner

APPROVED BY RESOLUTION NO.
dated _____.

WATER DISTRICT NO. 82

By: Robert A. Ferra
President and Commissioner

By: James C. Chavali
Secretary and Commissioner

SAHALEE SEWER DISTRICT

By: James L. Brazil
President and Commissioner

By: W. Peterson
Secretary and Commissioner

EXHIBIT A

3_MG_RESERVOIR_===_APPURTENANCES_AND_SITE

A-1--3_MG_RESERVOIR

The reservoir consists of a steel water storage reservoir 64 feet in diameter with a stored water depth of approximately 116 feet and a stored water capacity volume of approximately 3 million gallons. The reservoir improvements include foundation; inlet, outlet, overflow, and drainpipe connections; access manholes; exterior and interior access ladder; roof vent and all other appurtenances.

A-2--RESERVOIR_AND_SITE_APPURTENANCES

The reservoir and site appurtenances include the following:

1. Electrical service, wiring, and equipment except those items provided by and in the ownership of the power utility.

2. All piping, valves, and fittings on site comprising the Water System connections to the reservoir; reservoir drain; overflow connections; site and reservoir drainage facilities; and all other systems existing and necessary to the operation and maintenance of the reservoir and site.
3. Reservoir site fencing.
4. Site improvements including access roadway, surfacing, and landscaping.

The reservoir and site appurtenances specifically exclude the following:

1. Telemetry equipment of District 82 located at the reservoir.
2. Moveable items not necessary to or a part of the function and operation of the reservoir owned by District 82 and stored at the reservoir site at the time of purchase, such as, backhoes, valves, water meters, water pipe, and other items.

4-3--RESERVOIR SITE DESCRIPTION

The real property comprising the site of the reservoir is Tract 'B' as recorded in the Plat of Inglewood Glenn, Volume 112 of Plats, pages 60 to 62, records of King County, Washington.

specifications by a licensed professional engineer in accordance with description, location, and specific function set forth in this Exhibit B.

B-1-216TH AVENUE NE INTERIE

1. Watermain Connection

A 12-inch ductile iron watermain shall be constructed on 216th Avenue NE from NE 17th Place to entrance to Sahalee Estates (approximately NE 20th Street), continuing from NE 20th Street on 215th Place NE in Sahalee Estates to Sahalee Drive West and then on Sahalee Drive West for 215th Place NE to 213th Avenue NE. Connections to existing watermains shall be as follows:

- a. District 82's existing 8-inch watermain on 216th Avenue NE at a point south of its existing connection with an existing 8-inch watermain in NE 17th Place.
- b. Sahalee's existing 10-inch watermain on Sahalee Drive West at a point east of its existing connection with an existing 6-inch watermain in 215th Place NE.
- c. Sahalee's existing 6-inch watermain on Sahalee Drive West at a point west of its existing connection with an existing 6-inch watermain in 213th Avenue NE.

2. Metering Facility

A metering facility shall be located on the 12-inch watermain intertie on 216th Avenue NE at a point at or near the south boundary of Sahalee Estates (approximately NE 20th Street). The exact location to be determined based on suitable, available space within the right-of-way for its installation. The metering facility shall include a buried concrete vault containing a meter or meters for measuring flow in each direction through the interties, valves, fittings, and related appurtenances.

3. Telemetry and Control Equipment

The telemetry and supervisory control necessary to monitor the flow through this intertie and to control water supply facilities required for both Sahalee and District 82 are as follows:

- a. Sahalee -- Equipment to be installed will provide for sensing and transmitting to Sahalee's central control panel the flow in each direction through the intertie and the level at the 3 million gallon reservoir. Equipment at the Sahalee central control panel shall provide for receiving, indicating, totalizing, and recording flow in each direction through the intertie and water level in the 3 million gallon reservoir. Additional equipment at the central control panel shall also provide for starting and stopping of the Sahalee water supply sources based on a combination of accumulated

flow through the intertie and water level in the 3 million gallon reservoir. The water supply control equipment shall provide for the automatic start and stop of each supply source such that the total volume of water withdrawn from the 3 million gallon reservoir in any 24-hour period will be replenished within the same 24-hour period while maintaining minimum reservoir water level and without causing an overflow to occur to the reservoir.

- b. District 82 -- Equipment to be installed will provide for sensing and transmitting to District 82's central control panel the flow in each direction through the intertie. Equipment to be added to District 82's central control panel shall provide for receiving, indicating, totalizing, and recording flow in each direction through the intertie.

B=2--SHANNONWOOD/SAHALEE_RESERVOIR_SIE_INTERTIE

1. Watermain Connection

A 8-inch ductile iron watermain extension shall be constructed from the terminus of an existing pipeline with an easement between Lots 51, 52, and 42 of the Plat of Shannonwood from 211th Avenue NE to the north boundary of the Plat of Shannonwood, said extension to be constructed within Sahalee's existing reservoir site to a connection to the 8-inch overflow pipe from the most westerly existing 150,000 gallon reservoir. The connection at the reservoir shall be equipped with a control valve

to allow flow through the intertie to the reservoir upon starting of one or more pumps in the existing Sahalee emergency booster station. A second connection to an existing 6-inch watermain within the Sahalee site shall be made to allow pumping of water from the existing reservoirs through the intertie into District 82's System. This connection shall be manually controlled.

2. Metering Facility

A metering facility shall be located on the intertie pipeline within Sahalee's reservoir site near the boundary of the Plat of Shannonwood. The metering facility shall include a suitable concrete vault with necessary piping vaults and fittings and shall include the existing 4-inch forward and reverse meter purchased jointly by Sahalee and District 82 and originally intended for installation at an intertie at 216th Avenue NE.

3. Telemetry and Control Equipment

This intertie is to be used solely as an emergency facility and no telemetry or automatic control of its use is necessary.

B-3--2261b-PLACE-NE-INTERTIE

1. Watermain Connection

The connection is to be made on 226th Place NE at the common boundaries of the Plats of The Country and Green Acres (approximately NE 20th Street). Existing 8-inch watermains of Sahalee and District 82 each currently terminate in close proximity to the point of this intertie.

2. Metering Facility

A metering facility shall be located on the 8-inch watermain intertie on 226th Place NE at or near the common boundary of the Plats of Green Acres and The Country. The exact location to be determined based on suitable, available space within the right-of-way for its installation. The metering facility shall include a buried concrete vault containing a meter or meters for measuring flow in each direction through the intertie, valves, fittings, and related necessary appurtenances.

3. Telemetry and Control Equipment

This intertie will initially be used as an emergency backup to 216th Avenue NE. The intertie will normally be valved closed and will be manually activated in the event the 216th Avenue NE intertie must be removed from operation. Future need for increased hydraulic capacity over that which is provided by one intertie (216th Avenue NE) may require the continuous use of this or another future intertie. The conversion of this intertie to continuous use will require installation of telemetry equipment similar to that provided initially at 216th Avenue NE. Sahalee and District 82 will each be independently

responsible for determining the equipment necessary to their monitoring and control requirements and for its purchase and installation.

EXHIBIT C

OWNERSHIP DE-INTERIES

The following ownership interest shall apply to each of the three interties as described in Exhibit B.

1. Watermain Connections

Sahalee and District 82 shall be the sole 100 percent owner of that portion of the watermains constructed in each intertie which lies within the service area of each Party. This ownership interest shall include all watermain, valves, fittings, and related appurtenances from the points of connection to each Party's own Water System to the point of connection to the jointly owned metering facility. Each Party shall be responsible for the operation, maintenance, repair, and replacement of the watermain connection in its ownership jointly constructed under

this Agreement and to assure its continued operation and function necessary to the purpose of this Agreement.

2. Metering Facilities

Sahalee and District 82 shall each own a 50 percent undivided interest in the metering facility to be jointly constructed at each of the three interties. The metering facility shall include the vault; water meter or meters; watermain connections to the vault; all piping, valves, fittings, and other appurtenances internal to the vault; electrical service, panel, and wiring if any; all drain lines internal and external to the vault; and all other items necessary and provided for the proper functioning of the metering facilities. The telemetry and/or control equipment and its communication wiring provided under the joint construction and located within or adjacent to the metering facility shall not be considered a part of the metering facilities.

3. Telemetry and Control Equipment

Additions and improvements to each of the Party's existing telemetry and control equipment provided for and jointly constructed shall become a part of the solely owned telemetry and control system of each Party. Each Party shall be solely responsible for the operation, maintenance, repair, and replacement of these additions and improvements and to assure their continued operation and function necessary to the purpose of this Agreement.

EXHIBIT D

COSTS OF JOINT CONSTRUCTION OF INTERTIES

D-1 CONSTRUCTION COSTS

The costs of construction of the interties shall include the following:

1. Engineering consultant contract costs for environmental compliance; design and preparations of construction plans; specifications and contract documents; assistance in bidding, bid evaluation, and contract award; contract administration including review and certification of progress payments; construction inspection, testing, and certification of completion; preparation of as-constructed plans; and preparation of operation and maintenance manual, if required.
2. Legal costs related to the review of contract documents; representation

in contract disputes, and such other services necessary to the interest of the Parties in the construction of the improvements.

3. Bid advertisement costs.
4. Contract costs for furnishing and installing the improvements in accordance with the contract plans, specifications, and documents including approved change orders and all related sales tax.
5. Costs of the procurement and purchase of lands or rights-of-way necessary to the installation of the improvements, if any.
6. Costs of Kings County right-of-way permits and inspection.
7. Costs heretofore expended for materials or for improvements to be incorporated in the facilities to be constructed, such as the existing meter jointly purchased and the existing watermain installed in the Plat of Shannonwood from the street to the boundary of the Sahalee reservoir site. Such costs shall be limited to the actual expense of the Parties.
8. Any other necessary or related costs approved by the Control Board and/or the legislative bodies of the Parties.

D-2 ADMINISTRATIVE COSTS

The administrative costs shall be limited to the actual out-of-pocket expense and the time spent at the hourly rates established in Exhibit E of this Agreement. The anticipated administrative expense include the following:

1. Costs of the application for processing and administration of any Federal, State, or local grant applied for and/or secured on behalf of the Parties for defraying a portion or all of the costs of construction.
2. costs for the processing payment and accounting of all receipts and disbursements from the joint construction fund.
3. Preparation of monthly and final reports on the costs, receipts, and disbursements.
4. Any other necessary or related costs approved by the Control Board and/or the legislative bodies of the Parties.

EXHIBIT E.

HOURLY RATES FOR PERSONNEL AND EQUIPMENT

<u>PERSONNEL</u>	HOURLY RATE
Manager	\$25.00
Foreman	18.00
Utility Serviceman I	14.00
Utility Serviceman II	13.00
Bookkeeper	13.00
Secretary	13.00

EQUIPMENT

Pickup	3.00
Van	3.00
Dump Truck	16.00
Backhoe	20.00

AGREEMENT FOR
WATER SERVICE THRU
INTERTIE

ROBINSON
File 1253.02

THIS AGREEMENT made by and between UNION HILL WATER ASSOCIATION, INC., hereinafter referred to as "UNION HILL" and CASCADE VIEW WATER AND SEWER DISTRICT, hereinafter referred to as "CASCADE VIEW" as follows:

In consideration of the mutual promises of the parties to this Agreement it is agreed as follows:

1. That UNION HILL agree to provide CASCADE VIEW seventy thousand (70,000) gallons per day (gpd) interruptible water supply through the intertie between UNION HILL and CASCADE VIEW during the peak summer months. The term "interruptible water supply" shall mean that UNION HILL shall have the right to interrupt the transmission of water to CASCADE VIEW in the event, in the opinion of UNION HILL'S Manager, that continued water service to CASCADE VIEW will jeopardize the available water supply to adequately serve UNION HILL'S customers.
2. The above available gpd shall not apply during non peak or non critical water use periods in that additional water, up to 150,000 gpd, will be made available to CASCADE VIEW which will enable CASCADE VIEW to rest their well. This non peak use will be subject to change based upon a full evaluation of the affect of this use upon UNION HILL'S distribution system and source(s).
3. It will not be necessary for CASCADE VIEW to install a master meter at this time. A meter will be required in the future after a full trial of the systems operating together. CASCADE VIEW shall supply UNION HILL a monthly summary of all water used at the house meters and the water and/or days pumped at CASCADE VIEW well.
4. CASCADE VIEW shall pay UNION HILL \$.50 per 100 cf for water transmitted pursuant to this AGREEMENT so long as UNION HILL is able to supply all water for both entities from its existing well source(s). In the event that UNION HILL must use City of Redmond water through the Union Hill/Redmond intertie the billing rate will be adjusted to reflect the rate that Redmond charges UNION HILL plus the additional pumping/operating costs.

5. CASCADE VIEW and UNION HILL mutually agree to indemnify and save harmless each other from and against any and all claims, suits, losses, damages or expenses relating to the death of or injury to any third party or the loss of or damage to any third party's property to the extent caused by the negligence of the party against whom indemnification is sought, its agents or employees, arising out of the performance by such party of its obligations under this Agreement. The foregoing indemnification is conditioned upon the receipt by the indemnifying party of (1) prompt written notice following the occurrence of any event which may give rise to a claim for indemnification hereunder; (2) the opportunity to conduct the defense or settlement of any claim to be indemnified; and (3) the complete cooperation of the parties in such defense.

THIS AGREEMENT shall be considered an interim operating agreement for a period of ninety (90) days until such time that the operating parameters between the entities can be fully assessed and a final permanent agreement can be prepared, reviewed and/or modified by either UNION HILL or CASCADE VIEW through mutual discussion and understanding.

DATE this _____ day of _____, 1990.

UNION HILL WATER
ASSOCIATION, INC.

CASCADE VIEW WATER
AND SEWER DISTRICT

By *[Signature]*

By _____

By *Robert M. [Signature]*

By _____

AGREEMENT FOR EMERGENCY INTERTIE

This agreement ("Agreement") is made by and between the Sammamish Plateau Water and Sewer District, a municipal corporation ("District"), and the Ames Lake Water Association, a nonprofit water association ("Ames Lake"), (individually a "Party" and collectively the "Parties") for the purposes set forth herein.

SECTION I: RECITALS

1.01 District and Ames Lake are the owners and operators of public water systems and are engaged in the distribution of water to consumers in King County. The District's corporate and service area boundaries are located adjacent to Ames Lake's service area boundary.

1.02 Ames Lake now desires to obtain a supplemental source of water supply for emergency purposes and the District is now willing to allow an emergency intertie between the District and Ames Lake's water systems for such purpose subject to certain terms and conditions.

1.03 The State of Washington, Department of Health ("DOH"), encourages interties between water systems to improve the reliability of public water systems, enhance their management and more efficiently utilize limited water resources.

1.04 In consideration of the terms and conditions contained herein, the Parties now agree as follow.

SECTION II: EMERGENCY INTERTIE

2.01 The purpose of this Agreement is to provide for an emergency intertie between the water distribution systems of each Party to allow Ames Lake access to District water supply in the event of an emergency.

2.02 The District agrees to allow Ames Lake an emergency standby source of water through an intertie connection between the District and Ames Lake water systems at the location as described and depicted on Exhibit "A" attached hereto and incorporated herein by this reference ("Intertie"). The Intertie is specifically described in Section 2.08 below. The Intertie shall be an emergency standby connection, and water shall only be drawn through the Intertie when an emergency occurs. An emergency shall be considered any event including, but not limited to, power outages, a pump system failure or failure in the Ames Lake water distribution system which impairs the capacity or ability of Ames Lake to maintain its system water capacity for fire protection purposes or public consumption. An emergency shall terminate at such time as the capacity of the Ames Lake water system is restored to its pre-emergency status.

2.03 Ames Lake shall be responsible for the design, permitting and construction of the Intertie at its sole cost and expense. Following the approval and execution of this Agreement by the Parties, Ames Lake shall enter into a developer extension agreement ("Extension Agreement") with the District, providing for the design, permitting and construction of the Intertie subject to the District's review and approval and the terms and conditions set forth in the

Extension Agreement. Ames Lake shall complete the installation of the Intertie within Two (2) years of the Effective Date of this Agreement. The District shall own and be responsible for the maintenance of the District owned portion of the Intertie, as described in Section 2.08 below, following its installation by Ames Lake and final acceptance by the District pursuant to the Extension Agreement.

2.04 After the District's final acceptance and ownership of the District owned portion of the Intertie, as described in Section 2.08 below, Ames Lake shall notify the District in writing at least forty-eight (48) hours in advance of the date and time Ames Lake desires to receive water from the District through the Intertie. In case of emergency need by Ames Lake, District shall provide water immediately upon oral notification of such emergency. Follow-up written notice of such emergency request shall be made by Ames Lake to District.

2.05 Ames Lake shall pay District for all water delivered through the Intertie, including flushing water, at the District's then current single-family lowest block water rate. The District shall bill Ames Lake on a bi-monthly basis for the amount of water delivered to Ames Lake through the Intertie, and Ames Lake shall pay the District for such water and payments shall be made by Ames Lake to the District within thirty (30) days of the date of such billing. Any District billings not paid by Ames Lake within such thirty (30) day period shall accrue interest at the rate of 12 percent per annum until paid.

2.06 District shall use reasonable efforts to provide an uninterrupted supply of water to Ames Lake, provided the District shall not be liable for any shortage or interruption in the delivery of water to Ames Lake through the Intertie. In addition, District shall not be liable for any failure, interruption or shortage of water, or any loss or damage resulting therefrom by Ames Lake or any of its members therefrom occasioned by any cause beyond the control of District. District does not guarantee the availability of water to Ames Lake through the Intertie at all times because of the District's needs and water demand. Further, during critical water shortage periods as determined by the District, the District may close the Intertie until the District deems sufficient water supply exists to make such available to Ames Lake. In the event the District declares and/or imposes water usage restrictions within the District, Ames Lake agrees to adopt and impose water usage restrictions no less restrictive than those adopted by the District as a pre-condition to receiving District water through the Intertie.

2.07 All water purchased by and delivered to Ames Lake hereunder shall only be resold by Ames Lake to its members/customers within Ames Lake's water service boundary for use therein.

2.08 All water delivered to Ames Lake shall pass through the Intertie and shall be measured by metering equipment. The Intertie includes a vault within which is located a water meter, valve and pressure reducing valve (PRV). The District shall own, operate, and maintain the meter and valve and all water main up to the meter and valve. Ames Lake shall own, operate, and maintain the vault, the portion of main from the valve within the vault to the PRV, the PRV and the main that exits the PRV. Ames Lake hereby grants District access to the vault in order to maintain and operate the meter and valve.

2.09 Only District personnel shall operate the Intertie valve. Ames Lake shall notify the District when flushing or when there is a need for emergency water supply through the Intertie; in such event, the District's personnel shall operate the Intertie valves for opening and closing the Intertie. Ames Lake shall be responsible for the flushing the Intertie on a bi-monthly basis to ensure water quality.

2.10 Each Party shall, with respect to its duties, responsibilities and operations hereunder, comply with all applicable laws, rules and regulations governing the same. If required by law or regulation, Ames Lake shall submit construction drawings for the Intertie to DOH for approval and shall be responsible to comply with the requirements of RCW 90.03.383.

SECTION III: GENERAL PROVISIONS

3.01 Each Party shall approve the terms and conditions herein by resolution and provide the other Party with a certified copy of same. Each Party represents to the other that it has the full power and authority to enter into this Agreement.

3.02 In the event that either Party commences any legal action relating to the provisions of this Agreement, the prevailing party shall be entitled, in addition to all other amounts to which it is otherwise entitled in this Agreement, to all costs of litigation, including but not limited to, costs, expert witness and reasonable attorney's fees, including all such costs and fees incurred on appeal.

3.03 The District and Ames Lake agree to hold harmless and indemnify the other Party and its employees and agents from any and all claims, damages, costs, and other liabilities caused by a Party's sole negligence or a Party's concurrent negligence, but only to the extent of the Party's concurrent negligence, arising by reason of participation in, in connection with, or relating to the performance of this Agreement. In addition, Ames Lake agrees to defend, indemnify, and hold the District harmless from any and all claims, damages, costs, and other liabilities arising out of any use by Ames Lake or its members of any water provided through the Intertie, including emergency use for fire purposes and normal domestic use by member consumption or made by or on behalf of any of Ames Lake's consumers which relate in any way to the District's supply water under this Agreement.

3.04 Ames Lake may not assign its rights and/or duties under this Agreement without the prior written consent of the District, which consent may be withheld by the District in its sole discretion.

3.05 This Agreement shall take effect on the last date that this Agreement has been approved and signed by both the District Board of Commissioners and the Ames Lake Board of Directors ("Effective Date").

3.06 Any notice to be given, document to be delivered, or payment to be made by either Party to the other herein, shall be delivered in person or mailed by certified post and addressed to District or City at the following addresses:

District: Ronald E. Little, Manager
Sammamish Plateau Water and Sewer District
1510 - 228th Avenue S.E.
Sammamish, Washington 98075

With a courtesy copy to John W. Milne
Inslee, Best, Doezie & Ryder, P.S.
P. O. Box C-90016
Bellevue, Washington 98009-9016

Ames Lake: Scott Hemingway, General Manager
Ames Lake Water Association
PO Box 691
Fall City, WA 98024

Either Party may, by written notice to the other, designate a different address or designee.

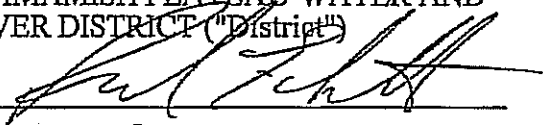
3.07 This Agreement and the provision of water by the emergency intertie connection may be terminated by the District upon giving Ames Lake thirty (30) days written notice in the event (1) Ames Lake or any of its representatives operate the Intertie valve without the District's prior approval to do so, (2) any public agency or court of law orders the District to terminate and cease such emergency intertie connection, or (3) Ames Lake violates any material term or condition set forth in Section 2 of this Agreement and fails to correct or perform as required such term or condition within thirty (30) days of written notice from the District to do so; provided, notwithstanding the foregoing, this Agreement shall continue in five (5) year terms unless either Party notifies the other Party in writing of its intention to terminate this Agreement by giving sixty (60) days advance written notice prior to each successive five (5) year anniversary date of its intention to terminate the Agreement.

3.08 This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and may be modified only by an agreement in writing signed by both Parties hereto.

3.09 Each Party agrees to comply with all federal, state, and local regulations in the operation of its water system connected to the Intertie which is the subject of this Agreement.

SAMMAMISH PLATEAU WATER AND
SEWER DISTRICT ("District")

By

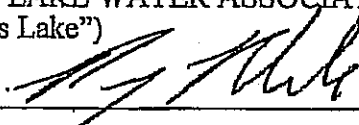


Printed Ron Little

Its Gen. Mgr Dated 9-16-08

AMES LAKE WATER ASSOCIATION
("Ames Lake")

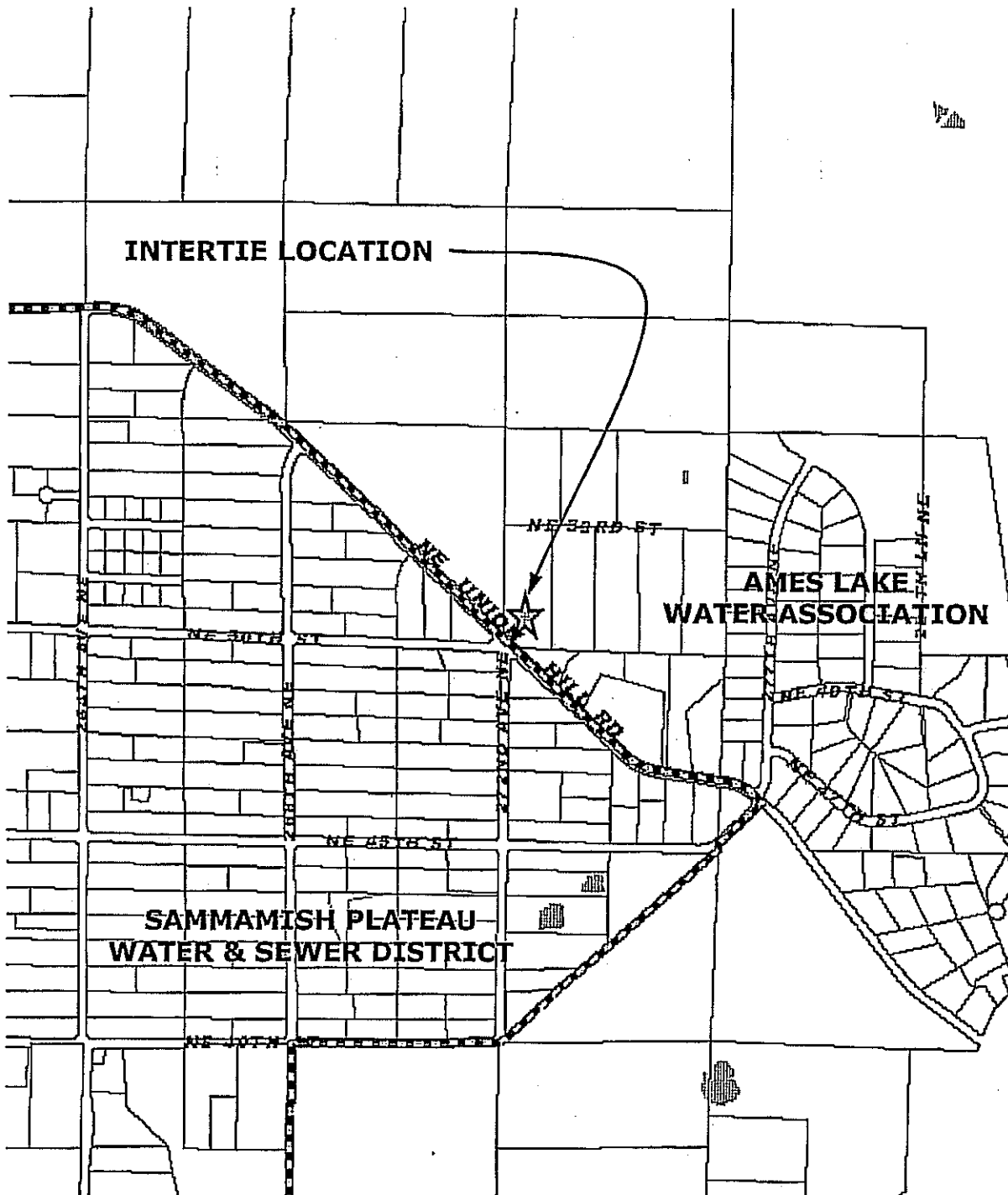
By



Printed Perry Cole

Its President Dated 28 Aug 2008

EXHIBIT A
INTERTIE LOCATION DEPICTION



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SAMMAMISH PLATEAU WATER & SEWER DISTRICT
KING COUNTY, WASHINGTON

RESOLUTION NO. 3745

RESOLUTION OF THE BOARD OF COMMISSIONERS OF SAMMAMISH PLATEAU WATER AND SEWER DISTRICT, KING COUNTY, WASHINGTON, APPROVING AN INTERLOCAL AGREEMENT FOR ESTABLISHMENT OF AN INTERTIE WITH THE AMES LAKE WATER ASSOCIATION.

WHEREAS, pursuant to Title 57 RCW, the Sammamish Plateau Water and Sewer District ("District") supplies potable water to customers within its boundaries through a public water system; and

WHEREAS, pursuant to Title 24.06 RCW, the Ames Lake Water Association ("Ames Lake") supplies potable water to customers within its boundaries through a member owned non-profit cooperative water system; and

WHEREAS, the District and Ames Lake (collectively the "Parties") have determined that it is in the public interest to enter into an agreement for the provision of emergency water supply to the Ames Lake water service area; and

WHEREAS, Ames Lake is willing to install an intertie and transmission main between the District's and Ames Lake's water distribution systems at Ames Lake's sole cost and pay the District charges for water supplied from the District to Ames Lake, as set forth in an Agreement for Emergency Intertie between the District and Ames Lake, in the form attached hereto as Exhibit A and incorporated herein by this reference ("Intertie Agreement"); and

WHEREAS, the District General Manager has recommended that the District approve and implement the Intertie Agreement; now, therefore,

BE IT RESOLVED, by the Board of Commissioners of Sammamish Plateau Water & Sewer District, King County, Washington, as follows:

1. The Intertie Agreement in the form attached hereto as **Exhibit A** is hereby approved and the District General Manager, is hereby authorized and directed to execute the Intertie Agreement on behalf of the District.

Resolution No. 3745

ADOPTED by the Board of Commissioners of Sammamish Plateau Water and Sewer District, King County, Washington, at a regular open public meeting held on the 15th of September, 2008.

**Individual Commissioner's
Vote on this Resolution:**

Approved: _____ *WFS*
Opposed: _____
Abstained: _____
Absent: _____

Approved: _____ *MMA*
Opposed: _____
Abstained: _____
Absent: _____

Approved: _____ *TH*
Opposed: _____
Abstained: _____
Absent: _____

Approved: _____
Opposed: _____
Abstained: _____
Absent: _____

Approved: _____ *RB*
Opposed: _____
Abstained: _____
Absent: _____

Steve Stevlingson
Steve Stevlingson
President and Commissioner

Mary Shustov
Mary Shustov
Vice President and Commissioner

Thomas C. Harman
Thomas C. Harman
Secretary and Commissioner

Lloyd J. Warren
Commissioner

Robert Brady
Robert Brady
Commissioner

Resolution No. 3745

**AGREEMENT FOR WATER SYSTEM INTERTIE
BETWEEN THE
CITY OF REDMOND AND THE
SAMMAMISH PLATEAU WATER AND SEWER DISTRICT
(CASCADE VIEW/NOVELTY HILL – NE 80th STREET INTERTIE)**

This Agreement (“Agreement”) is made and entered into this 11 day of February, 2005 between the Sammamish Plateau Water & Sewer District (“District”), a Washington municipal corporation, and the City of Redmond (“City”), a Washington municipal corporation, (individually a “Party” and collectively the “Parties”) for the purposes set forth herein.

W I T N E S S E T H:

WHEREAS, the City is a non-charter, optional municipal code city organized and operating pursuant to Chapter 35A RCW; and

WHEREAS, the District is organized and operating pursuant to Title 57 RCW and is authorized to operate a water system within and without its boundaries; and

WHEREAS, the District has a need for additional water supply to a portion of its service area called the Cascade View Zone, as depicted on Exhibit A, which shall include if annexed to the District in the future, the Dawn Breaker Water Association and the rural portion of the Redmond Ridge East Pan Handle, in addition to all other expansions to this Zone as defined in future District Comprehensive Water Plans; and

WHEREAS, the District and the City are members of the Cascade Water Alliance (“CWA”) which provides water supply to its members through a regional water system; and

WHEREAS, the District’s Cascade View Zone is not connected to the District’s Plateau Zone that will be receiving water directly from CWA; however, the District’s water system in the Cascade View Zone may be connected through an intertie to the City’s water system, which receives water supply from CWA; and

WHEREAS, CWA is willing to supply water to the District’s Cascade View Zone by wheeling such water through an intertie with the City’s water system; and

WHEREAS, the District is willing to install an intertie and transmission main between the City's and the District's water distribution systems at the District's sole cost and pay the City a wheeling charge to wheel water from CWA to the District.

NOW, THEREFORE, in consideration of the following terms and conditions, the Parties agree as follows:

- 1.0 Purpose.** The purpose of this Agreement is to provide an intertie between the distribution systems of each party to allow the District with access to the CWA water supply.
- 2.0 Description of Intertie.** The Cascade View/Novelty Hill – NE 80th Street intertie (“Intertie”) shall be constructed by the District at its sole cost and operated by the Parties under the terms of this Agreement. The Intertie shall be as follows:
 - 2.1** The Intertie shall allow the District to obtain water, wheeled through the City's distribution system, from the regional system in accordance with the District's contract with CWA.
 - 2.2** The Intertie shall consist of a connection to the City's existing distribution system within Redmond Ridge Road near its intersection with NE 80th Street, and a Metering Vault to measure total flow and prevent the flow of water from the District's water system into the City's water system.
 - 2.3** The District shall install the Metering Vault within 200-feet of their connection to the City's system.
 - 2.4** The Intertie shall have a normal operating capacity of 200-gpm, for approximately 160 acre/feet per year of CWA water to supplement the District's ground water supplies and a short term maximum capacity of 400-gpm as needed when the District's two production wells are out of service.
 - 2.5** The District shall be responsible for increasing the water pressure of the water supplied by the City as necessary to the required operating pressures of the District's Cascade View Zone. The District's installation of a

booster station to provide the pressure increase shall be on the District's side of the Intertie.

3.0 Construction.

- 3.1 The District shall undertake the Intertie through a wet tap of the City's existing 12-inch water main north of the City's emergency intertie with the Union Hill Water Association's water system located at Redmond Ridge Drive and NE 80th Street as depicted on Exhibit A (the "Union Hill Intertie").
- 3.2 The Intertie shall only provide flow to the District and will not be designed or constructed to provide flow from the District to the City.
- 3.3 The District shall be responsible for the installation of a Metering Vault that will contain a 4-inch flow meter to measure the quantity of water provided to the District by the City and a check valve to prevent water flow from the District to the City.
- 3.4 The District shall install a control valve and any necessary booster pumps on the District's side of the Metering Vault to maintain a set rate of flow that is manually or remotely adjustable.
- 3.5 The District's responsibilities shall include, but not be limited to, design, preparation of permit applications, project administration, construction and construction inspection for the Intertie.
- 3.6 The City's responsibilities shall include review of the plans and specifications for the Intertie and review of applicable permit applications.
- 3.7 The plans and specifications for the Intertie construction shall meet or exceed the construction standards of the District, as the owner of such intertie and shall be subject to review and approval of the City. The City shall have the right to inspect all work on the Intertie at all reasonable times to assure conformance with approved plans and specifications.

5.0 Construction Schedule. The District shall complete the installation of the Intertie within sixty (60) days of the effective date of this Agreement.

6.0 Intertie Project Costs. The term “cost” as used in this section shall include, without limitation, all actual costs of labor, materials, permitting, equipment, engineering, inspection, right-of-way, legal costs, publication, SEPA compliance and any costs customarily incurred in such projects. The District shall pay and be solely responsible for all costs for the Intertie.

7.0 Ownership. The District shall own the Intertie.

8.0 Maintenance. The District shall maintain the Intertie in good working order in accordance with sound maintenance procedures, good engineering practices and applicable laws, rules and regulations. Maintenance shall include meter calibration, to be performed no less frequently than every 2 years from the date of installation of the meter.

9.0 Destruction and Replacement. District shall be responsible to repair and replace all or any part of the Intertie in the event of its partial or total damage, loss or destruction at District’s sole cost and expense.

10.0 Notification, Use, and Payment.

10.1 Notification.

10.1.1 The District shall provide the City with notification by CWA stating that water is available for the District’s use at Cascade’s meter that serves Redmond’s Novelty Hill Service Area.

10.1.2 The District shall provide the City with 48-hours notice prior to the start of any use of the Intertie to deliver water from the City to the District. The District shall notify the City of the anticipated rate of flow that is to be received and for what period of time the flow is to be maintained. The District shall notify the City with 24-hours notice prior to changes in the District’s rate of flow that will

impact the rate of flow that the City takes from the Tolt Supply System.

- 10.1.3** The District shall notify the City with 48-hours notice prior to discontinuing the use of the intertie.
- 10.1.4** The District shall maintain continuous reading of the rate of flow and weekly readings of the total quantity of water received from the City, and shall provide the City with copies of such reports.
- 10.1.5** The District shall provide the City and CWA with monthly reports showing the usage for each calendar month plus an unaccounted water loss factor of 2% of the monthly use.
- 10.1.6** The City shall give the District 48-hours notice prior to any operations that may impact the District's use of the Intertie, including but not limited to watermain shutdowns that reduce or eliminate the supply to the Intertie, changes in operating pressure by more than 20 pounds per square inch, introduction of chemicals other than chlorine and fluoride and construction activities in the immediate vicinity of the Intertie.
- 10.1.7** In the case of an emergency, where unforeseen circumstances of a short duration result from a failure of the District's water system equipment or piping that necessitates transfer of water to meet life safety demands and satisfy minimum levels of service for customers, the District shall be allowed immediate use of the Intertie as long as immediate notification is provided to the City stating the anticipated rate of flow that is to be received and for what period of time the flow is to be maintained.
- 10.1.8** In the case of an emergency, where unforeseen circumstances of a short duration result from a failure of the City's water system equipment or piping that impacts the ability of the City to provide the District with water, the City shall be allowed to shut down the Intertie as long as immediate notification is provided to the District stating the duration of the emergency and immediate notification is

provided to the District as soon as the City's water system operations are restored such that the Intertie is safe to operate.

10.2 Use.

10.2.1 The District shall be allowed use of the Intertie as needed in accordance with the terms of this agreement, at the District's sole discretion, to obtain water provided to the District under its contract with CWA. This use and discretion is limited and Redmond only agrees to wheel water to the District that is in excess of the City's demand if Seattle or CWA limits flow rates at the CWA meter serving Redmond's Novelty Hill service area.

10.2.2 A normal operating flow of 200-gpm shall be allowed to meet its Cascade View Zone's system demands for an estimated 160 acre/feet of water per year.

10.2.3 A maximum flow of 400-gpm shall be allowed for up to 8-week to support the Cascade View system demands when both wells have been taken out of service.

10.3 Payment for Water Delivered.

10.3.1 The District shall pay directly to CWA for water wheeled through the Intertie to the District at CWA rates in effect at the time of the sale and delivery of the water to the District.

10.3.2 The District shall pay directly to the City a Wheeling charge for the water delivered to the District through the Intertie at fixed and variable rates set through the City's rate setting processes and established by resolution of the City.

10.3.3 The City shall read the meter and invoice the District for the Wheeling charge associated with the water delivered to the District through the Intertie. The City shall own, install, operate and maintain any radio read system required for reading of the meter other than the District's Remote Read Head.

11.0 General.

- 11.1 Duration.** The parties acknowledge and agree: (1) that the use of the Intertie is essential to the operations of District in providing water service to its customers; and, (2) that District will rely upon the continued existence of the Intertie and rights of usage granted hereunder in its long range planning and issuing bonds, notes and other financing documents. Thus, each Party covenants and agrees with the other not to interfere with the other's rights granted hereunder; not to violate applicable laws, rules and regulations of agencies with regulatory jurisdiction over the parties; and not to take any action inconsistent with this Agreement.
- 11.2 Termination.** This Agreement may be terminated through 2-month written notice by the District, 2-years written notice by the City, or the termination of either parties membership in CWA.
- 11.3 Not a Partnership.** This Agreement shall not constitute or create a partnership or a joint venture.
- 11.4 Compliance with Laws and Regulations.** Each Party shall, with respect to its duties, responsibilities and operations hereunder, comply with all applicable laws, rules and regulations governing the same. The District shall submit construction drawings for the Intertie to the Washington State Department of Health for approval and shall be responsible to comply with the requirements of RCW 90.03.383.
- 11.5 Specific Performance.** In addition to all other remedies available to a party hereunder, whether in law or equity, each party to this Agreement shall have the right to seek and obtain specific performance of the terms hereof. The parties agree that damage occurring by reason of the breach

hereof is difficult, if not impossible, to ascertain and that remedies of law are inadequate.

- 11.6 Assignment.** Neither party shall have the right in whole or in part to assign this agreement or its rights and obligations hereunder or its interest in the Intertie without prior written consent of the other party, which shall not be unreasonably withheld, delayed, or conditioned.
- 11.7 Authority.** This Agreement is entered into by the parties hereto pursuant to the authority contained in RCW 35.67.300, RCW 39.34.080 and RCW 57.08.005.
- 11.8 Attorney's Fees.** If a suit or other action is instituted in connection with any controversy arising out of this Agreement, the prevailing party shall be entitled to recover all of its costs and expenses including such sum as the court may judge reasonable for attorneys' fees, including fees upon appeal of any judgment or ruling.
- 11.9 Non Waiver.** No waiver by either party of any term or condition of this Agreement shall be deemed or construed as a waiver of any other term or condition or of any breach hereof, whether pertaining to the same or a different provision of this Agreement.
- 11.10 Severability.** If any section, subsection, sentence, clause, phrase, or other portion of this Agreement is, for any reason, declared invalid, in whole or in part of any court or agency of competent jurisdiction, said decision shall not affect the validity of the remaining portions hereof.
- 11.10 Indemnity.** Each Party agrees to indemnify, defend and hold harmless the other party, its officers, agents, and employees, from and against any and all claims, losses, or liability, for injuries, sickness or death of persons, or

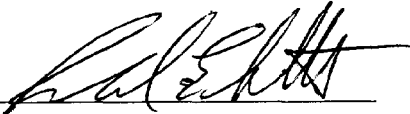
damage to property, arising out of any willful misconduct or negligent act, error, or omission of the indemnifying party, its officers, agents, subcontractors or employees, in connection with actions taken pursuant to this Agreement. Provided, however, that the indemnifying party's obligations to indemnify, defend and hold harmless for injuries, sickness, death or damage caused by or resulting from the concurrent negligence or willful misconduct of the indemnitee and the indemnifying party, or of the indemnifying party and a third party other than an officer, agent, subcontractor or employee of the indemnifying party, shall apply only to the extent of the negligence or willful misconduct of the indemnifying party.

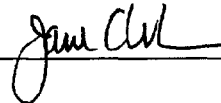
12.0 Execution of Documents. Each Party agrees to execute any and all documents and instruments necessary to give effect to and carry out the terms of this Agreement and to obtain the necessary approval of the same by government agencies as required by law.

13.0 Effective Date. This Agreement shall be effective upon the approval of the Agreement by the legislative bodies of both Parties and the execution of the Agreement by the Parties' authorized representatives.

**SAMMAMISH PLATEAU
WATER & SEWER DISTRICT**


CITY OF REDMOND


BY 
Ronald E. Little, General Manager
Date 1-26-05

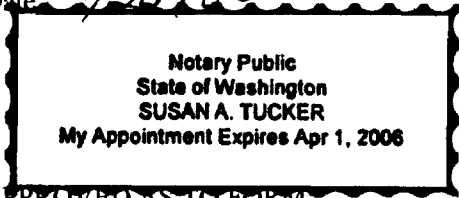
BY 
Date 2-11-05

ATTEST:

ATTEST:


BY 
Susan A. Tucker, Notary Public
Date 1/26/05

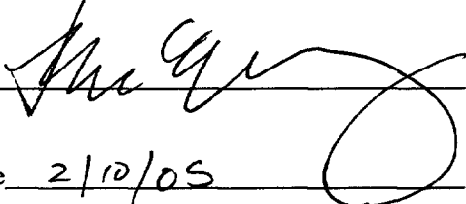
BY 
Bonnie Matson, City Clerk
Date 2/14/05



APPROVED AS TO FORM:

APPROVED AS TO FORM:

BY 
John Milne, District's Attorney
Date 1/26/05

BY 
Date 2/10/05

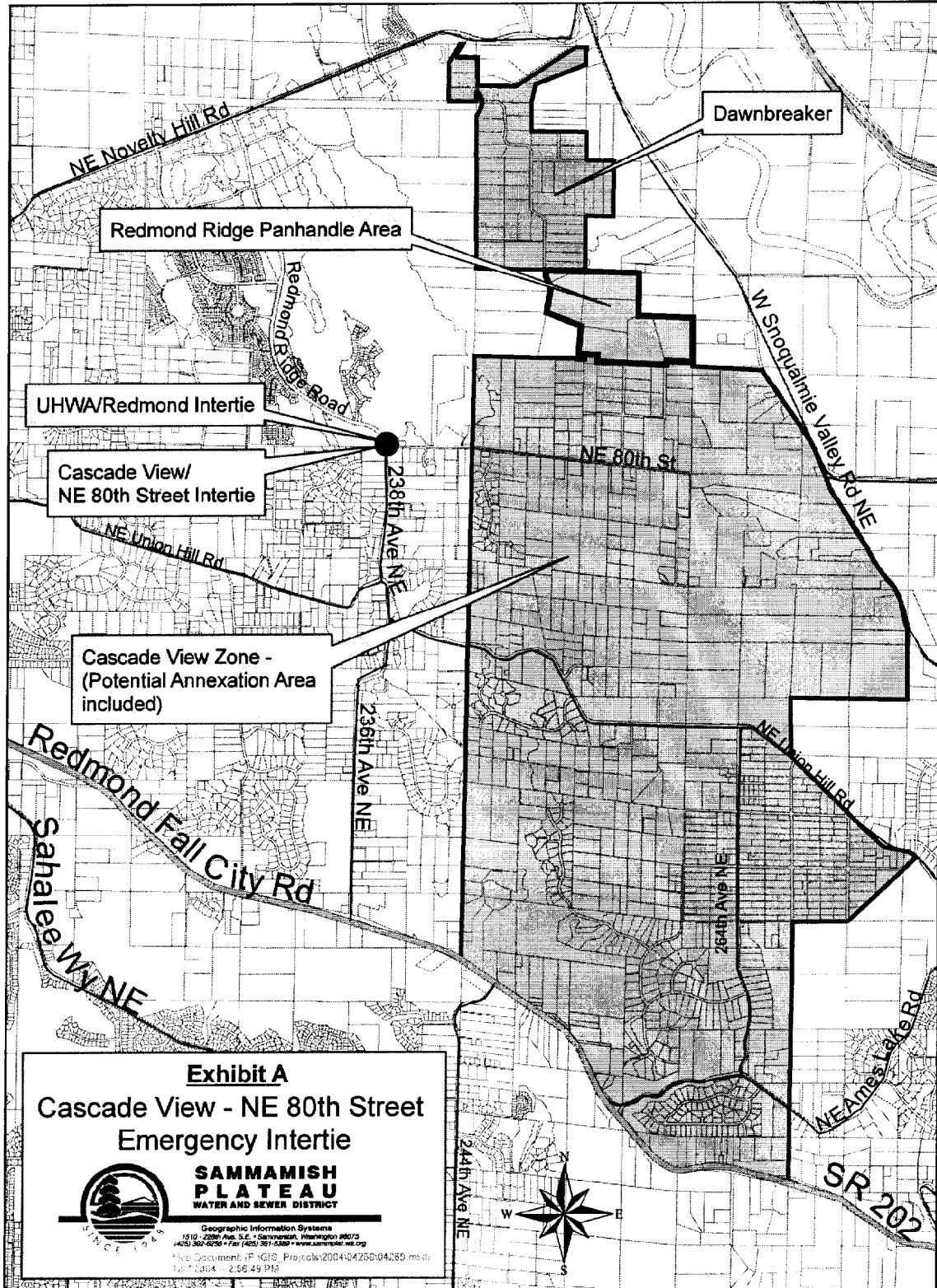



Exhibit A
Cascade View - NE 80th Street
Emergency Intertie



**SAMMAMISH
 PLATEAU
 WATER AND SEWER DISTRICT**

Geographic Information Systems
 1519 - 228th Ave. S.E. • Sammamish, Washington 98073
 (425) 882-6200 • Fax (425) 887-5388 • www.sammamish.wa.gov

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