

**HIGHLINE WATER DISTRICT
REIMBURSEMENT AGREEMENT**

This Agreement ("Agreement") is made and entered into this _____ day of _____, _____, ("Effective Date") between Highline Water District, a municipal corporation ("District") and _____ ("Developer") (individually a "Party" and collectively the "Parties").

RECITALS

A. District is a duly organized water district under the laws of the State of Washington, and is empowered to furnish water service to property owners within or without the District in the manner provided by law.

B. Developer previously entered into a Developer Extension Agreement ("DEA") dated the _____ day of _____, _____, for the construction and installation of water extensions ("Extension Facilities") to serve Developer's property which is legally described on **Exhibit "A"** attached hereto; Developer completed installation of such extensions in accordance with the terms of the DEA, portions of which make utility service available to real property other than the Developer's property hereinafter known as the benefited properties ("Benefited Properties") as described on **Exhibit "B"** attached hereto. The owners of such Benefited Properties have not contributed to the cost of the Extensions Facilities and Developer is entitled to reimbursement from real property owners seeking connection to or use of such Extension Facilities for the cost of such Extension Facilities in excess of Developer's pro rata share therefor which costs have been determined as set forth below.

C. District will collect charges from the owners of Benefited Properties connecting to or using the Extension Facilities; and such charges are the sole source of funds for the District from which reimbursement to Developer can and will be made, as and when the same are collected.

D. District is authorized to enter into a reimbursement agreement with Developer under the provisions of Chapter 57.22 RCW and the Parties now desire to enter into a written reimbursement agreement with reference to the foregoing matter; now, therefore,

AGREEMENT

In consideration of the following terms and conditions, the Parties agree as follows:

1. Records/Costs. After completion of the construction of the Extension Facilities, Developer shall certify to the District the final design, engineering, construction and restoration costs incurred by Developer in constructing the Extension Facilities and shall submit such supporting vouchers, invoices and other data as the District may require to the District to substantiate the certified costs. The executed, notarized Reimbursement Agreement, all exhibits and all supporting documentation must be submitted to the District before the Extension Facilities will be accepted by the District. Any changes or additional information requested by the District must be submitted to the District within 21 days of District notification to the Developer. District reserves the right to approve or reject the certified costs as reasonable and subject to reimbursement. The District shall allocate the cost of the Extension Facilities among Developer's property and the Benefited Properties on a pro rata share basis. However, the District reserves the right to allocate such costs in any manner conforming with applicable law and the policies of the District.

2. Charges. District shall require owner(s) of the Benefited Property applying to the District to connect to or use the Extension Facilities to pay a reimbursement charge determined in accordance with the terms of this Agreement. The reimbursement charge shall be payable in total at the time of such owner's connection to or use of the Extension Facilities. The amount of such reimbursement charge to be collected prior to such connection is set forth on **Exhibit "C"** attached hereto. Such reimbursement charges shall be in addition to all other District charges in effect at the time of seeking connection to such Extension Facilities. Upon application by Benefited Property owners, the District may further segregate reimbursement charges attributed to property connecting to the Extension Facilities. All costs of such segregation shall be borne by the party requesting such segregation.

3. Developer Charge. Twenty percent (20%) of the reimbursement charge collected pursuant to Section 2 above shall be retained by the District to reimburse the District for its legal, engineering, administrative, set-up and handling costs incurred relating to this Agreement ("Developer Charge").

4. Recording, Liens. This Agreement shall be recorded in the office of the King County Auditor, King County, Washington, upon execution by the District and the Developer. Such Agreement shall constitute a lien and record notice upon the property described in **Exhibit "B"** not contributing to the original cost of the Extension Facilities installed by Developer under the provisions hereof and shall be binding upon the present owner thereof, and all successors and assigns to those respective parties in accordance with Chapter 57.22 RCW. When paid by any party seeking connection to the Extension Facilities, the lien shall be satisfied and discharged of record. Developer hereby appoints the Secretary of the Board of Commissioners, or his/her successor, as its attorney-in-fact, to prepare, execute and file for record with the King County Recorder a document appropriate to cancel and release the lien, charge or obligation of the Benefited Property owner paying the reimbursement amount to District, which will describe with particularity the property so connecting and paying the reimbursement amount, and thereupon this Agreement shall no longer apply to such property. This appointment as attorney-in-fact is irrevocable during the existence of this Agreement.

5. Contact Information: The Developer shall provide the District with contact information ("Contact Information"). The initial Contact Information shall be provided as follows:

Contact Information and Address for Receipt of Reimbursement Funds

(Printed Name of Developer's Representative)

(Company Name)

(Mailing Address)

(City, State, Zip code)

(Telephone/FAX)

The Developer shall inform the District, in writing, of their current Contact Information every two years plus sixty (60) days from the Effective Date ("Contact Information Dates"), or sooner of company name, address and telephone number for the receipt of reimbursement funds.

If the Developer fails to submit their current Contact Information to the District at least every two years plus sixty (60) days from the Contact Information Dates noted above the District may terminate the right of the Developer to receive any reimbursement charges collected by the District after such Contact Information Date as described in Section 7 of this Agreement.

The Developer shall provide current Contact Information to the District at the following address, unless the District provides written notification to Developer of a change in District address as follows:

District Contact Information

General Manager
Highline Water District
23828 - 30th Avenue So.
Kent, WA 98032
(206) 824-0375

6. Payment Procedure. The District will pay any reimbursement charges collected to Developer, less the Developer Charge, within sixty (60) days following receipt thereof. District shall follow its established procedures of depositing such funds received with the King County Treasurer and drawing upon the same and making payment by King County Treasurer warrant in the manner provided by law. The District shall forward reimbursement funds referenced herein to Developer at the most recent Contact Information provided by the Developer to the District.

As a condition of receiving such reimbursement funds, Developer shall execute a receipt to the District for such reimbursement amounts so paid upon the receipt form provided by District. Such form shall include the name of the Benefiting Property owner making payment of such amount to the District and the legal description of the Benefited Property connecting to the Extension Facilities.

In the event of a dispute as to the rightful party to receive such funds, the District may pay the same to the Developer referenced herein or interplead such funds to the King County Superior Court; in either event, District shall thereupon be relieved of any further obligation or liability hereunder as to such reimbursement funds so paid.

7. Termination of Developer's Right to Receive Reimbursement. In the event the District collects reimbursement charges from owners of Benefited Property and the Developer has failed to comply with the requirements of Section 5 of this Agreement, the District will attempt to contact the Developer by mail at their most recent Contact Information and request the Developer provide, within 60 days from the date of mailing of the request, written confirmation and update of their Contact Information. If the Developer fails to submit current Contact Information within the 60-day period, the right of the Developer to receive reimbursement charges collected by the District shall terminate, and any reimbursement charges collected by the District following the Contact Information Date shall be collected and retained by the District and deposited in the District's capital fund for expenditure by the District.

8. Term. This Agreement shall remain effective for a period of fifteen (15) years from the Effective Date of this Agreement as to any Benefited Property for which a connection application is submitted to the District during such fifteen (15) year term. Developer shall have no further claim as to monies collected from any Benefited Properties after the expiration of the fifteen (15) year term.

9. Agreement Implementation. The District will use its best efforts to collect and distribute the reimbursement funds pursuant to the process set forth in this Agreement. However, the District, its officials, employees or agents shall not be held liable or responsible for failure to implement any of the provisions of this Agreement unless such failure is willful or intentional.

10. General. All exhibits referred to herein are by this reference made a part hereof as though set forth in full. This Agreement is binding upon the heirs, executors, administrators, successors and assigns, of each of the parties hereto.

11. Assignment. The Developer shall not assign its rights and obligations under this Agreement without the prior written consent of the District. In the event of an assignment, such person or entity shall be referred to as the "Developer" or "Developer's Assigns".

12. Effective Date. This Agreement shall be effective upon the date set forth on page one (1) of this Agreement ("Effective Date").

Highline Water District ("District")

("Developer")

By _____

By _____

Its _____

Its _____

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 they signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the _____ of _____ to be the free and voluntary act of such 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 _____

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 they signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the _____ of Highline Water District 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
LEGAL DESCRIPTION OF DEVELOPER'S PROPERTY

EXHIBIT B
LEGAL DESCRIPTION OF BENEFITED PROPERTY(IES)

EXHIBIT C
DESCRIPTION OF REIMBURSEMENT