

**SILVER LAKE WATER AND SEWER DISTRICT  
SNOHOMISH COUNTY, WASHINGTON  
RESOLUTION NO: 786**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE  
SILVER LAKE WATER AND SEWER DISTRICT, SNOHOMISH  
COUNTY, WASHINGTON, AMENDING SECTION 6.15.030 OF THE  
DISTRICT CODE, ENTITLED "REIMBURSEMENT AGREEMENTS",  
AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, on December 20, 2001, the Commissioners of Silver Lake Water and Sewer District ("District") adopted Resolution No. 538, relating to the policies and procedures for developer Reimbursement Agreements; and

**WHEREAS**, Resolution No. 538 was later codified at Section 6.15.030 of the District Code, entitled, "Reimbursement Agreements"; and

**WHEREAS**, the Commissioners have determined that it would be in the best interest of the District, its employees, and its customers to update its policies and procedures relating to Reimbursement Agreements for Developer Extension projects, Chapter 57.22 RCW; and

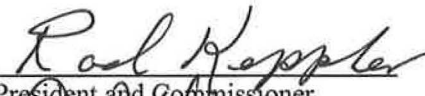
**WHEREAS**, the Commissioners desire to amend Section 6.15.030 of the District Code to update the policies and procedures relating to developer Reimbursement Agreements;

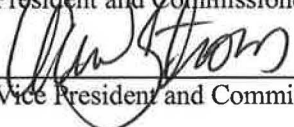
**NOW, THEREFORE BE IT RESOLVED** by the Board of Commissioners of Silver Lake Water and Sewer District, as follows:

**Section 1:** Section 6.15.030 of the District's Code, entitled "Reimbursement Agreements" is hereby amended as set forth in Exhibit 1, attached hereto and incorporated by reference.

**Section 2:** This resolution shall be effective on the date of adoption as set forth below.

**ADOPTED** by the Board of Commissioners at a regular open public meeting of the Silver Lake Water and Sewer District, Snohomish County, Washington this 12<sup>th</sup> day of December, 2019.

  
\_\_\_\_\_  
President and Commissioner

  
\_\_\_\_\_  
Vice President and Commissioner

\_\_\_\_\_  
Secretary and Commissioner

### **CERTIFICATION**

I, the undersigned, Secretary of the Board of Commissioners of Silver Lake Water and Sewer District, Snohomish County, Washington (the "District"), hereby certify as follows:

1. The attached copy of Resolution No. 786 (the "Resolution") is a full, true and correct copy of the Resolution duly adopted at a regular meeting of the Board of Commissioners of the District, held at the regular meeting place thereof on December 12, 2019, as that Resolution appears on the minute book of the District; and the Resolution will be in full force and effect immediately following its adoption; and

2. A quorum of the members of the Board of Commissioners was present throughout the meeting and a majority of those members present voted in the proper manner for the adoption of the Resolution.

**IN WITNESS WHEREOF**, I have hereunto set my hand this 12<sup>th</sup> day of December, 2019.

**SILVER LAKE WATER-SEWER DISTRICT,  
SNOHOMISH COUNTY, WASHINGTON**

  
\_\_\_\_\_  
Bill Anderson, Secretary

*for Bill Anderson*

## **EXHIBIT 1**

### **Section 6.15.030      Reimbursement agreements**

- (1) A Developer may enter into a reimbursement agreement with the District to recover pro rata share of the costs from parcels that connect to the utility improvements that were installed as part of an approved Developer Extension Agreement (DEA). Parcels that would be required to execute another DEA for utility service, or with current utility customers that would only be relocated, are not eligible for inclusion unless the reimbursement agreement is for a regional facility such as a sewer lift station. Parcels beyond the end of the public extension are not eligible for inclusion in a reimbursement agreement unless no further extensions would be required for service in accordance with the most current plans for future service as part of the District's Water and Wastewater Comprehensive Plans
- (2) A Developer shall indicate whether a reimbursement agreement is requested prior to final acceptance of the project by the District. A Developer shall submit an application for a reimbursement agreement within ninety (90) days of final acceptance of a DEA. The application shall consist of the following items, and partial, incomplete or late applications will not be accepted by the District:
  - (a) Deposit in the amount of \$1,500 to be used for expenses associated with the engineering and legal review, administration, public notification and recording of the agreement, and any other items needed to process the application. The District may require a larger deposit amount based on the size and scope of the reimbursement request, such as a regional sewer lift station. These expenses shall be deducted from the deposit on a time and materials basis for actual costs. If the District's expenses exceed this deposit, the Developer shall reimburse the District for its additional expenses within thirty (30) days of notification. The District will refund any remaining deposit upon recording of the reimbursement agreement.
  - (b) Written request specifying the development extension project, assessment area, and the specific utility facilities (e.g., water and/or sewer) to be included in the reimbursement agreement.
  - (c) List of participants who have contributed directly to the extension that provides utility service and would not be subsequently charged a reimbursement charge.
  - (d) Plan sheet(s) showing locations of sewer stubs to property line for participants.
  - (e) List of parcels to be assessed a reimbursement charge.
  - (f) Map or plan sheet(s) of involved parcels, both participants and those to be assessed.
  - (g) Ownership information (e.g., title report or county tax records) for all involved parcels.

(h) Documentation of final and actual costs of DEA work in accordance with RCW 57.22.030 to be included in the reimbursement charge calculation. District DEA fees are not eligible for reimbursement costs.

(i) Any other such other information as the District may require.

(3) Upon receipt of a completed reimbursement agreement application, the information requested therein and the required deposit, the District shall direct its engineer to review the project and to designate the service area of real property benefited by the project.

(4) The District's engineer shall review the individual parcels within the benefited area and confirm the names of the owners of record of such parcels, and shall determine the eligible reimbursable costs of the project and the individual parcels estimated "fair pro rata share" of cost of the project. The District shall use that method of allocation of costs that, in the judgment of the District, most fairly allocates such costs among the affected properties.

(5) Upon determination of the fair allocation of actual project costs, the benefit area, and the properties included in the reimbursement agreement, the application shall be considered for approval by the District commissioners. The District will make appropriate public outreach efforts to contact all parcels that will be subject to a reimbursement charge. The District will allow a minimum of thirty (30) calendar days for comments from the Developer or owners of the affected parcels. A public hearing shall be held on the reimbursement agreement and assessed charges if requested by the Developer or the owner of an affected parcel.

Upon receipt of a timely request in writing for a public hearing from the Developer or a property owner within the assessment area, the District shall schedule a hearing on the designated reimbursement area and the estimated fair pro rata share of costs. The party requesting the public hearing shall be in attendance at the hearing. At the hearing, the commissioners shall establish the reimbursement area and the reimbursement connection charge for properties within the assessment area; provided, that the commissioners may only increase the reimbursement area upon new notice to the owners of the affected property. The commissioners may also accept, modify or reject the proposed reimbursement agreement and the benefit area and reimbursement connection charges. Should a hearing occur, the District and the Developer shall reconfirm the reimbursement agreement.

(6) Upon final approval of the reimbursement agreement, it shall be recorded by the District at the expense of the Developer with the Snohomish County auditor's office, Snohomish County, Washington.

(7) The reimbursement charges defined in the agreement shall be collected by the District for a period of ten (10) years from the date of the District's final acceptance of the facilities constructed under the DEA. Upon the expiration of said period, the reimbursement agreement shall terminate and the District has no further obligation to collect and pay reimbursement charges to the Developer. The District, its officials, employees, or agents shall not be held liable or responsible for failure to implement any of the collection provisions of a reimbursement agreement, unless such failure was willful or intentional. The District is acting in the capacity of a collection agent and is not obligated to make any payment except those amounts actually collected pursuant to a reimbursement agreement. The reimbursement connection charge will be

collected whenever the owner of a benefited property connects to the system identified in a reimbursement agreement.

(8) Reimbursement connection charge funds shall be deposited into the District's maintenance and operations fund and, after the District's deduction for administration costs of ten (10) percent, the balance of said funds shall be distributed within sixty (60) days from the receipt of the funds to the designee(s) identified in the reimbursement agreement. The District takes no responsibility to defend legal challenges to the reimbursement agreement with the Developer or to the process provided for establishing or collecting such reimbursement charges. Any challenge to the District's authority or process for a reimbursement agreement will not be defended by District. District may tender defense of the reimbursement agreement or process establishing or collecting such reimbursement charges to the Developer.

(9) The Developer shall inform the District, in writing, every two years plus sixty (60) days from the effective date of the reimbursement agreement, or sooner, of their current contact location and the company name, address and telephone number for the receipt of reimbursement funds. If the Developer fails to submit its current contact location to the District at least every two years plus sixty (60) days, the District may terminate the right of the Developer to receive any reimbursement charges collected by the District.

In the event the District collects reimbursement charges from owners of Benefited Property and the Developer has failed to comply with the requirements of RCW 57.22.020, the District will attempt to contact the Developer by mail at its most recent contact location and request the Developer to provide, within sixty (60) days from the date of mailing of the request, written confirmation and update of their current contact location. If the Developer fails to submit an updated contact location within the sixty (60) day period, the right of the Developer to receive reimbursement charges collected by the District may terminate, and any reimbursement charges collected by the District shall be collected and retained by the District and deposited in the District's capital fund for expenditure by the District.

Upon re-establishment of the Developer contact location, the District may reinstate the Developer's right to receive reimbursement payments.

(10) The Developer shall not assign its rights and obligations under the reimbursement agreement without the prior written consent of the District. The Developer agrees that the District shall be authorized to make segregation of or adjustments to the reimbursement charges if a benefited property is divided through an approved land use action. The District shall make the segregation or adjustment generally in accordance with the method used to establish the original reimbursement charges. The segregation or adjustment shall not increase or decrease the total reimbursement charges to be paid. The District may make all such segregation and adjustments without the necessity of further agreement by the Developer.

(11) As an alternative to financing projects solely by owners of real estate in accordance with this section and Chapter 57.22 RCW, the District may join in financing of improvement projects and may be reimbursed in the same manner as the owners of real estate who participate in the projects, if the District has specified the conditions of its participation in a resolution.