

**SILVER LAKE WATER AND SEWER DISTRICT
SNOHOMISH COUNTY, WASHINGTON
RESOLUTION NO: 787**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE
SILVER LAKE WATER AND SEWER DISTRICT, SNOHOMISH
COUNTY, WASHINGTON, ADOPTING A REVISED REIMBURSEMENT
AGREEMENT FORM, 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 adopt a revised contract form for Developer Reimbursement Agreements;

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

Section 1: A revised Reimbursement Agreements form is hereby adopted 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 24th 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. 787 (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 24th day of December, 2019.

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



~~Bill Anderson, Secretary~~
John Warner

EXHIBIT 1
SILVER LAKE WATER AND SEWER DISTRICT
REIMBURSEMENT AGREEMENT

This Agreement ("Agreement") is made and entered into this ____ day of _____, 20____, ("Effective Date") between Silver Lake Water and Sewer District, a municipal corporation ("District") and _____, a _____ ("Developer") (individually a "Party" and collectively the "Parties").

RECITALS

A. District is a duly organized Title 57 water-sewer district under the laws of the State of Washington, and is empowered to furnish water and sewer service to property owners within or without the District in the manner provided by law; and

B. Developer previously entered into a Developer Extension Agreement ("DEA" or "Extension Agreement") dated the ____ day of _____, 20____, for the construction and installation of a water and/or sewer extension ("Extension"), as described on **Exhibit "A"** attached hereto; the Extension was constructed to serve Developer's property as described on **Exhibit "B"** attached hereto; Developer completed installation of the Extension 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 referred to as the benefited property or properties ("Benefited Property or Properties") as described on **Exhibit "C"** attached hereto; the owners of such Benefited Properties have not contributed to the cost of the Extension; and Developer is entitled to reimbursement from real property owners seeking connection to or use of the Extension for the cost of the Extension in excess of Developer's pro rata share therefore which costs have been determined as set forth below; and

C. District will collect charges from the owners of Benefited Properties connecting to or using the Extension; 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; and

D. District is authorized to enter into a reimbursement agreement with Developer under the provisions of Chapter 57.22 RCW and District Code Section 6.15.030; and the Parties 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, Developer shall certify to the District the final design, engineering, construction and restoration costs incurred by Developer to construct the Extension and submit such supporting vouchers, invoices and other data as the District may require to substantiate the certified costs, as described on **Exhibit "A"** attached hereto. All application materials required in accordance with District Code Section 6.15.030 and all supporting documentation must be submitted to the District within ninety (90) calendar days of final acceptance of the Extension by the District. Any changes or additional

information requested by the District must be submitted to the District within twenty one (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 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. Developer agrees to reimburse the District all fees, costs, charges and expenses incurred by District to prepare and process this Agreement, including but not limited to all administrative, engineering and legal fees, costs, charges and expenses.

2. Charges. District shall require owner(s) of the Benefited Property 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 the connection of another owner's property to or use of the Extension. The amount of such reimbursement charge to be collected prior to such connection is set forth on **Exhibit "D"** attached hereto; such charges may include, but are not limited to, the owner's pro rata share of the final design, engineering, construction and restoration costs incurred by Developer to construct the Extension. Such reimbursement charges shall be in addition to all other District charges in effect at the time of seeking connection to the Extension. Upon application by Benefited Property owners, the District may further segregate reimbursement charges attributed to property connecting to the Extension. All costs of such segregation shall be paid to the District by the party requesting such segregation.

3. Administrative Charge. The District shall deduct the sum of ten (10) percent ("Administrative Charge") from each reimbursement payment received before the Developer shall be entitled to receive the balance of such payment. The Administrative Charge shall be collected by the District for costs and expenses incurred in connection with the administration of this Agreement.

4. Recording, Liens. This Agreement shall be recorded in the office of the Snohomish County Auditor, Snohomish County, Washington, upon execution by the District and the Developer. This Agreement shall constitute a lien and record notice upon the real property described in **Exhibit "C"** not contributing to the original cost of the Extension 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, 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 Snohomish County Auditor 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. Developer Contact Information: The Developer shall provide the District with contact information ("Contact Location"). The initial Contact Location 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 / Email Address)

The Developer shall inform the District, in writing, every two years plus sixty (60) days from the Effective Date ("Contact Update Dates"), 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 from the Contact Update Dates noted above, the District may terminate the right of the Developer to receive any reimbursement charges collected by the District after such Contact Update Date as described in Section 7 of this Agreement.

The notification of current Developer Contact Location shall be sent 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
Silver Lake Water and Sewer District
15205 41st Avenue SE
Bothell, WA 98012
(425) 334-3647

6. Payment Procedure. 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 developer identified in the reimbursement agreement.

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 a 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 court; in either event, District shall thereupon be relieved of any further obligation or of 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 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 following the Contact Update Date 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.

8. Segregation. The Developer agrees that the District shall be authorized to make segregation of or adjustments to the reimbursement fees if a Benefited Property is subdivided 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 fees. The segregation or adjustment shall not increase or decrease the total reimbursement fees to be paid. The District may make all such segregation and adjustments without the necessity of further agreement by the Developer.

9. Term. This Agreement shall remain effective for a period of ten (10) years from its effective date as to any Benefited Property for which a connection application is submitted to the District during such ten (10) year term. Developer shall have no further claim as to monies collected from any Benefited Properties after the expiration of the ten (10) year term.

10. 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. Developer agrees to indemnify and hold the District harmless from any liability or damages of any nature or kind whatsoever arising out of claims or suits filed against the District as a result of any action taken pursuant to this Agreement, and shall defend the District whenever the District is named in a suit in which this Agreement is at issue and pay all fees and costs of such defense, including but not limited to attorney and expert witness fees and costs.

11. General. This Agreement constitutes the entire agreement between the Parties. 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.

12. 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”.

13. Effective Date. This Agreement shall be effective upon the date set forth on page one of this Agreement (“Effective Date”).

Silver Lake Water and Sewer District

By _____

Its _____

Developer

By _____

Its _____

STATE OF WASHINGTON)
) ss.
COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence that _____ 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 _____ of _____ to be the free and voluntary act of such entity 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 SNOHOMISH)

I certify that I know or have satisfactory evidence that _____ 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 _____ of **Silver Lake Water and Sewer District** 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 _____

EXHIBIT A
DESCRIPTION OF DEA UTILITY IMPROVEMENTS AND PROJECT COSTS

EXHIBIT B
LEGAL DESCRIPTION OF DEVELOPER'S PROPERTY

EXHIBIT C
LISTING AND DEPICTION OF BENEFITED PROPERTIES
(Note – by tax parcel # only)

EXHIBIT D
REIMBURSEMENT CHARGES