#### WATER SYSTEM ACQUISITION AGREEMENT

(Between Tacoma Water and Curran Road Mutual Water Association)

THIS AGREEMENT entered into this \_\_\_\_\_ day of April, 2017, by and between the CITY OF TACOMA, a municipal corporation, for and on behalf of its Department of Public Utilities, Water Division (hereinafter referred to as the "CITY" and/or "Tacoma Water") and the CURRAN ROAD MUTUAL WATER ASSOCIATION, a non-profit corporation formed under the laws of the State of Washington (hereinafter referred to as "CURRAN ROAD").

### WITNESSETH that:

#### RECITALS

WHEREAS, CURRAN ROAD is located in Pierce County, Washington, and owns and operates a Group A Community water system ("System" as the same is further described herein) that serves the area legally described on Exhibit "A," which is attached hereto and incorporated herein by reference; said area and boundary being also set forth on the map attached hereto marked Exhibit "B" and by this reference incorporated herein;

WHEREAS, due to the lack of sufficient funds to make sustained improvements to the aging System it currently operates, CURRAN ROAD desires to convey said System to the CITY for consolidation with Tacoma Water's service area;

WHEREAS, the title owners of real property located within the CURRAN ROAD service area described in Exhibit A, acting in their current capacity as "shareholders" or "members" under the By-laws of Curran Road Mutual Water Association and on behalf of their respective future successors and assigns (collectively referred to herein as "Members of CURRAN ROAD" and/or "Members"), believe it to be to their benefit to receive direct water service from the CITY utilizing the System as improved and operated by the CITY;

WHEREAS, certain improvements to the System are needed to meet CITY water service reliability and capacity standards and must be made as a condition of System acquisition and operation by the CITY – said "System Improvements" are further described in Section 2.1 below and in Exhibit "B-1" attached hereto and incorporated herein by this reference;

WHEREAS, the CITY has conducted a consolidation survey of the System, which survey indicated that it is feasible for the CITY to provide direct water service to Members of CURRAN ROAD within the framework of CITY's existing ordinances for water supply if the necessary System Improvements are made over the next 8-10 years;

WHEREAS, consistent with the CITY's Service Expansion Policy, the CITY desires to acquire new customers and is prepared to construct, replace, and otherwise improve the System, <u>Provided that</u>, the Members of CURRAN ROAD fund all such

System Improvements costs pursuant to the Surcharge terms and conditions set forth herein; and

WHEREAS, the Members of CURRAN ROAD will each, according to their respective ownership interests in real property located within the CURRAN ROAD service area, be responsible for all existing or future property side water service pipes and appurtenant equipment, excluding meter(s), located on their respective real properties including, but not limited to, all cost of installation, maintenance, and compliance with applicable jurisdictional water service standards and requirements.

**NOW, THEREFORE**, in consideration of the foregoing Recitals, mutual benefits to be derived, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

### ARTICLE I. CONVEYANCE AND ACQUISITION OF SYSTEM

- 1.1 Upon Closing as further described and specified in Article IV herein and unless otherwise specifically provided in this Agreement, CURRAN ROAD shall convey to the CITY the complete ownership and exclusive control of all CURRAN ROAD owned and operated mains, valves, meters, equipment and services comprising the existing Curran Road Mutual Water Association's water main and distribution system ("System").
  - 1.1.1 The conveyance of the System expressly excludes any and all property side water service pipes and appurtenant equipment located on Member owned real property. Said property side pipes and appurtenant equipment shall remain the property and sole responsibility of each Member owning the real property upon which such pipes and equipment are located.
  - 1.1.2 The conveyance of the System further expressly excludes the real property premises, including the CURRAN ROAD administrative building thereon, located at 5003 141st Street East, Tacoma, WA 98446 and listed under Pierce County Tax Parcel No. 0319134027. The Parties expressly understand and agree that immediately following mutual execution of this Agreement, and not later than thirty (30) days following the Effective Date hereof, CURRAN ROAD shall actively market said real property for sale and exercise commercially reasonable efforts to obtain full fair market value.
    - A. Real Property Closing, Sales Proceeds, and Security: CURRAN ROAD shall complete and formally close the sale transaction for said real property on or before the System acquisition "Closing Date" specified in Article IV of this Agreement. It is expressly agreed that in the event said sale is completed prior to the Closing Date for this Agreement, CURRAN ROAD shall immediately, and not more than ten (10) business days following such completed sale, tender the total net sales proceeds thereof to the CITY as "Security" (pursuant to Section 5.1 herein) to ensure CURRAN ROAD's full and faithful performance hereunder.

- 1.2 Upon Closing of this Agreement, CURRAN ROAD shall further convey all of its rights and interests under applicable Federal, State, and local laws and regulations to the City as necessary to ensure that the CITY is the sole and exclusive provider of water service to and within the CURRAN ROAD service area described in Exhibit A.
- 1.3 To the extent of its rights and interests as a water purveyor and/or water service company under State law, and as necessary to effect the conveyances under Section 1.1 and/or 1.2, CURRAN ROAD shall further timely convey all franchise, right-of-way, easement, and other real property rights and interests it holds and/or may exercise related to the System to the CITY as required or necessary to allow the CITY to acquire full ownership of the System and to operate same to provide direct water service using either or both said systems.
  - 1.3.1 Assignment and Grant of Easements. By and upon execution of this Agreement, CURRAN ROAD expressly assigns and conveys to the CITY of Tacoma, Department of Public Utilities, Water Division, and its successors and assigns, all System operational rights of way, easements, and other real property rights and interests held by CURRAN ROAD, as necessary and convenient for the CITY to install, lay, construct, renew, operate and maintain the water utilities and associated facilities and equipment comprising the System over, under, and upon the real property and service area described in Exhibit A.
    - A. In the event any existing easement rights and interests are insufficient for the CITY's construction, improvement, maintenance and/or operation of the System, then by and upon recording of this Agreement, CURRAN ROAD shall be deemed to have granted, and does hereby expressly grant, a further and additional easement to the CITY of Tacoma, Department of Public Utilities, Water Division, and its successors and assigns, as necessary and convenient for the CITY to install, lay, construct, renew, operate and maintain water utilities and associated facilities and equipment comprising the System over, under, and upon the real property and CURRAN ROAD service area described in Exhibit A.
    - B. As necessary to effect the purposes and intent of this Section 1.3, CURRAN ROAD shall promptly give such notices, make such applications, and otherwise exercise best efforts to obtain any and all required approvals from Pierce County Departments and Officials to acknowledge and affirm the existing and additional water utility franchise and/or rights-of-way necessary to be assigned and/or granted under this Agreement.
    - 1.3.2 Additional Grant of Easements by Members. It is contemplated and agreed that the Members of CURRAN ROAD will timely execute and deliver additional easements over, under and upon their respective privately owned real properties within the CURRAN ROAD service area upon request by the CITY and as the CITY determines reasonably necessary for it to provide such Members water service utilizing the System. These additional easements will

be filed of record. See Exhibit C for sample form.

- 1.3.3 CURRAN ROAD shall timely make and complete all other conveyances required under this Section 1.3 upon request by CITY.
- 1.4 CURRAN ROAD shall further timely convey to the CITY all other water utility assets and personal property comprising and/or related to the System including, but not limited to, copies of all current System customer billing and accounting records, maps, bills of sale, bank and other financial institution accounts and all monies, instruments, and other assets associated with such accounts owned or controlled by CURRAN ROAD, and any other documentation required or requested by CITY relating to the ownership, operation and/or management of the System.
  - 1.4.1 <u>Transition Period Duties and PRE-Closing Security for Performance</u>. It is mutually understood and agreed that between the Effective Date of this Agreement and the Closing Date specified in Section 4.2 below (the "Transition Period"), CURRAN ROAD shall have the following responsibilities and duties:
    - A. CURRAN ROAD will deliver to Tacoma Water, at the time it executes and delivers this Agreement, copies of the following documentation relating to System ownership and operations:
      - 1) All water service account and billing records for each Member served by the System as of the Effective Date hereof;
      - All maps, deeds, easements and other instruments that grant or convey rights-of-way and other real property rights and interests pertaining to System ownership and operations;
      - 3) Any engineering, financial, or other professional consultant reports, statements, and similar written deliverables, if any, pertaining to the ownership, operation and management of the System.
    - B. CURRAN ROAD will tender or otherwise deliver to Tacoma Water, when specified, all water utility bank and other financial institution account monies and assets including:
      - 1) Proceeds of the Heritage Bank issued Certificate of Deposit, in the approximate amount of \$73,000, will be tendered upon CD maturity date in May 2017 or the Effective Date hereof, whichever last occurs, and will be used for the purpose of securing performance of CURRAN ROAD's Pre-Closing obligations hereunder;
      - All other bank and financial account funds or any type or nature, together with all cash on hand, are to be tendered to Tacoma Water on the Closing Date.

- NOTE: The Parties contemplate and mutually expect the foregoing bank and financial account assets, cash on hand, and the net sale proceeds from sale of real property, if any, per Section 1.1.2 A will total at least \$500,000 as of the Closing Date. In any event, it is expressly and mutually agreed that CURRAN ROAD shall be required to convey a minimum of at least \$300,000 on, and no later than, the Closing Date.
- C. CURRAN ROAD shall maintain a minimum balance of cash or other System operations bank and financial account funds of not less than \$400,000, subject to and reduced by the amount of any funds tendered pre-Closing for Security purposes per Section 1.1.2 A. and/or Section 1.4.1 B. 1);
  - 1) Exercise good faith and due diligence to manage and preserve all other System assets and property to be conveyed hereunder at Closing; and
- D. CURRAN ROAD will convey all other water utility assets and personal property per this Section 1.4 on, and no later than, the Closing Date specified in Section 4.2 herein.
- E. CURRAN ROAD shall deliver prompt written notice to Tacoma Water in the event any actual or expected claim(s) and/or liability related to the System arise.
- 1.5 Except as otherwise specified in Section 1.1 (per subsections 1.1.1 and 1.1.2), System facilities not required by the CITY for CITY's operation and maintenance of the System shall either be (i) liquidated by CURRAN ROAD following the Closing hereof and the proceeds thereof conveyed to the CITY on the Closing Date as additional Security for CURRAN ROAD's performance pursuant to the provisions of this Agreement, or (ii) abandoned in accordance with Pierce County requirements and be subject to the indemnification and hold harmless provisions set forth in Article V. herein.
- 1.6 CURRAN ROAD shall retain ownership of and continue to operate the System until Closing. CURRAN ROAD shall be solely responsible for all liability arising or resulting from such System ownership and/or operation prior to the Closing Date. Except as otherwise provided herein, all other liabilities arising from the ownership or operation of the System shall be governed by the provisions in Article V. herein.
- 1.7 Upon Closing, all Members served by the System will be deemed water service customers of the CITY and individual utility accounts will be established for each said Member. Effective as of the Closing Date and thereafter, each Member will be charged and responsible for paying all applicable water rates, charges and fees in accordance with CITY ordinances and Tacoma Water's Customer Service Policies together with the Surcharge specified in Article II herein.

#### ARTICLE II. SYSTEM IMPROVEMENT FUNDING

- 2.1 After the Closing Date, the CITY will initially incur and pay all costs necessary for the sustained improvement of the System including, but not limited to, acquisition, design, equipment, materials construction and related work ("System Improvements"), all as required and/or proper for the CITY's ownership and operation of the System as a public utility under Washington State law. The necessary System Improvements expected to be made by CITY following Closing are summarized in Exhibit B-1 attached hereto and are estimated to cost a total of \$12,000,000.00. Said estimated costs are subject to revision based on actual conditions. The Surcharge specified in Section 2.3 below shall be initially based on said estimated costs, and likewise subject to revision based on the costs actually and finally incurred by CITY.
- 2.2 Members shall be solely responsible for, and shall pay, the costs of any necessary improvements to property side water service pipes and appurtenant equipment located on and serving their respective real properties (aka Member "Premises" per Section 2.3 below). Said responsibility includes, but is not limited to, purchase and installation of all equipment or facilities on said Member's private property side of the meter(s) as needed to serve such property. Each Member shall further be solely responsible for, and shall pay, all rates, charges and fees applicable to CITY water service as further specified in Section 3.6 below.
- 2.3 Surcharge. Final payment of the total, actual, costs of the System Improvements shall be the sole responsibility of CURRAN ROAD and its Members. Each Member residing within the CURRAN ROAD service area described in Exhibit A shall be responsible for and shall pay a share of the Surcharge attributable to such Member's respective ownership interest in any real property (hereinafter a Member's "Premises") located within the CURRAN ROAD service area identified in Exhibits A and B regardless of whether such Premises receives water service from the System as of the Closing Date or is thereafter connected to the System.
  - 2.3.1 Surcharge Amount. Upon Closing, and based on CITY's estimate of the actual costs expected to be incurred the CITY shall determine and establish in its sole discretion the total Surcharge amount, duration, and payment options. In no event shall the Surcharge amount be less than the City's "Ready-to-Serve" charge applicable to each water service. The Ready-to-Serve charge is determined by water meter size as set forth in City rate Ordinance(s) now in effect or as the same may hereafter be amended. Notwithstanding the initial Surcharge amount established by the CITY at Closing, the following post-Closing Surcharge provisions shall apply:
    - A. Retroactive Surcharge. Requests for new service connection shall be conditioned upon a retroactive lump-sum payment of the Surcharge, which shall be due at time of the service request. The retroactive lump-sum payment shall be equal to the total of monthly Surcharge

- payments calculated from the Closing Date through date of the new service request.
- B. Adjustment of Surcharge Term. The actual duration of the Surcharge will be adjusted by the City to reflect total Surcharge payments actually received and applied toward total costs for System Improvements as the result of new service connections following the Closing Date.
- C. Other Adjustment of <u>Surcharge Amount.</u> In the event the CITY requests additional Security for performance pursuant to Section 5.1 herein and CURRAN ROAD does not, or cannot, timely provide the requested Security, the CITY shall have the right to adjust the Surcharge amount as necessary to fully satisfy and/or discharge any obligation, indebtedness or liability as may result from CURRAN ROAD's non-performance of its duties under Section 5.2 and/or Section 5.4 herein.
- 2.3.2 Surcharge Payment. It is contemplated by the Parties that the Surcharge shall be payable on a bi-monthly basis (once every two months), or on a monthly basis as determined by the service account of particular individual Members, with a payment period of approximately thirty-three (33) years in length, with the understanding such bi-monthly Surcharge amount may be included and billed with all other utility service charges in a single invoice issued monthly. It is further contemplated that CURRAN ROAD Members will pay such amounts as are identified as the CURRAN ROAD Surcharge and set forth in Section 12.10.400 M., TMC, as now enacted or as may be later amended.
- 2.3.3 The CITY shall retain the sole and complete authority to determine the actual payment amounts and payment methods to be applied based on actual costs incurred for the System.
- 2.3.4 <u>Termination of Water Service For Non-Payment of Surcharge</u>. The water service to the Premises of any Member who has not paid the Surcharge established by the CITY will be discontinued and will not be restored until full payment of all outstanding Surcharge amounts is made.
- 2.3.5 Removal of CITY Equipment for Non-Payment of Surcharge. The CITY reserves the right to reclaim and remove any meter or other CITY equipment installed to serve any Premises subject to a delinquent Surcharge. In the event of such reclamation and removal, and upon subsequent application for water service, the Member owning such Premises, regardless of prior succession or assignment of rights in such Premises, shall be required to pay as a condition to new service all applicable water service construction and connection charges and fees associated with re-installation and water service at the rates in effect as of

the date of such subsequent application.

2.3.6 Memorandum of Understanding. The Parties acknowledge the need to establish further clarification concerning the calculation and application of Surcharge amounts to certain Premises located on the mutual border of CURRAN ROAD's System and Tacoma Water's abutting water service system. The Parties agree these "Border Premises" require special consideration and contractual provisions to govern the respective rights and duties of Tacoma Water, CURRAN ROAD, and the Members who own said Border Premises. Accordingly, the Parties hereby agree to negotiate in good faith following the Effective Date hereof and to draft and execute a Memorandum of Understanding (MOU) that fully addresses the special terms and conditions applicable to the Border Premises. The Parties agree to promptly commence said negotiations following mutual execution of this Agreement and exercise good faith and best efforts to enter into a mutually acceptable MOU on or before September 30, 2017

#### ARTICLE III. WATER SERVICE

- 3.1 The CITY shall furnish water to the Premises of each Member according to that individual Member's title interest of record in such Premises within the CURRAN ROAD service area in accordance with the rates and charges set from time to time by CITY ordinance applicable to customers directly served outside the CITY. Water service shall be subject to all terms, covenants, and conditions of such ordinance and be conditioned upon payment of any Surcharge established pursuant to Section 2.3 above.
- 3.2 The CITY's operating personnel and equipment shall be made available to render ordinary and emergency maintenance and repair on the same basis and to the same standards provided customers within the CITY.
- 3.3 The appropriate meter size will be determined by the CITY, in its sole discretion, and be based on the existing fixture units, existing water meter sizing, or any special needs required for each Premises served or to be served.
- 3.4 Within two (2) weeks following mutual execution of this Agreement, if not previously provided per Section 1.4, CURRAN ROAD shall provide to the CITY a listing of all current title owners of each CURRAN ROAD Member's Premises entitled to receive water service utilizing the System. Said listing shall include lot legal descriptions, parcel numbers, and structure information for each Premise as available. The CITY will verify Premises ownership records provided by CURRAN ROAD with Pierce County. All Member and Premises ownership documentation and information received or used hereunder shall be deemed a public record.
- 3.5 Water service to a Member's Premises shall be conditioned upon payment of the Surcharge specified in Section 2.3 herein and satisfaction of the following:
  - 3.5.1 If, during the term of the Surcharge, a new water service is requested for a

Premises that did not previously have its own dedicated water service connection from the CITY, water service will be provided only upon CITY's receipt of a lump sum retroactive payment of all Surcharge amounts accrued during the period from (i) the date of the last timely Surcharge payment received by the CITY (or if no Surcharge payment has ever been made, from the date the Surcharge first became due hereunder) to (ii) the date the new water service is to commence.

- 3.6 Notwithstanding any Surcharge established hereunder and/or upon expiration of the term of such Surcharge, all applications for water service by a Member and to a Premises within the CURRAN ROAD service area as delineated in Exhibits A and B, whether for new service or to revise an existing service, will be subject to the CITY's normal prevailing rates, charges and fees as set forth in CITY ordinances including, but not limited to Chapters 12.01 and 12.10, TMC, as now enacted or as it may hereafter be amended. Said rates, charges and fees will be credited to the CITY and will include, but not be limited to:
  - 3.6.1 System development charges per Chapter 12.10, TMC, as now enacted or as hereafter amended:
  - 3.6.2 Water service construction charges per Chapter 12.10, TMC as now enacted or hereafter amended;
  - 3.6.3 Changes to meter size,
  - 3.6.4 New services such as irrigation, and
  - 3.6.5 A water main charge, which shall apply only to requests for service made after the Surcharge has been fully paid.

### ARTICLE IV. APPROVALS and SYSTEM ACQUISITION CLOSING

- 4.1 CURRAN ROAD shall cause a vote of its Members and membership in the manner provided under its By-laws to approve or disapprove (i) the terms and conditions of this Agreement, (ii) the ultimate conveyance of the System and all related rights and interests to the CITY, and (iii) the amendment of CURRAN ROAD's governing documents to the extent necessary to carry out the terms and conditions of this Agreement. Within ten (10) days following execution of this Agreement by its authorized representative, CURRAN ROAD agrees to furnish written evidence of its official authorization of this Agreement and confirmation of intent to convey to the CITY all rights, interests and property, as specified in Article I herein. The CITY will thereafter submit this Agreement for approval by CITY's Public Utility Board and City Council.
- 4.2 Water System Acquisition Closing: The conveyance and acquisition of the System pursuant to this Agreement shall be fully completed on January 1, 2018 ("Closing" and/or "Closing Date"). The following terms and conditions shall apply and govern the Parties' respective rights and obligations prior to and upon the Closing Date.

and all acts required hereunder to achieve System acquisition Closing shall be fully performed on or before said Closing Date:

- 4.2.1 CURRAN ROAD will have sole responsibility for, and shall operate, the System until the Closing Date. All costs and expense to operate and maintain the System will be paid solely by CURRAN ROAD until the Closing Date.
- 4.2.2 CURRAN ROAD will finalize and fully complete all System and System related operational asset conveyances and documentation deliveries specified in Sections 1.1, 1.2, 1.3, 1.4, and 1.5 of this Agreement. Pursuant to Section 5.10, this Agreement shall be recorded as necessary to convey and fully vest the easement rights and interests specified in Section 1.3 hereunder, as well as to give and perfect public notice of the Surcharge obligations specified in Sections 2.3 and 3.5 hereunder.
- 4.2.3 CURRAN ROAD will make final tender of all cash and financial account funds in its possession as necessary to fully secure its performance hereunder including, but not limited to, all post-Closing obligations specified in Article V. Said funds and cash shall be held by the CITY, interest free, as Security pursuant to Section 5.1.

### ARTICLE V. MISCELLANEOUS PROVISIONS

- Security for Performance. The CITY shall hold, retain, and apply all real property sale proceeds tendered pursuant to Section 1.1.2 A., together with all bank and financial account assets conveyed by CURRAN ROAD pursuant to Section 1.4 and Section 1.5, as Security sufficient to ensure CURRAN ROAD's performance of its duties and obligations under this Agreement; which duties include, but are not limited to, indemnification pursuant to Section 5.2 below. If, upon the third (3<sup>rd</sup>) anniversary of the Closing Date, the CITY determines that all such obligations have been faithfully observed, performed, and otherwise satisfied, the CITY agrees to credit and apply any then remaining Security funds toward the total outstanding Surcharge amount for the purpose of reducing the duration of said Surcharge.
  - 5.1.2 In the event the real property sale proceeds, bank, and/or other financial account assets conveyed to the CITY pursuant to Section 5.1 are, in the CITY's reasonable opinion, insufficient to adequately secure CURRAN ROAD's performance of obligations under this Agreement, the CITY shall have the right to demand, and CURRAN ROAD agrees to provide upon said demand, such further and other Security in the form of cash, bond(s), guarantee(s), letter(s) of credit, or other financial commitment(s) that CURRAN ROAD is reasonably capable of obtaining and furnishing to ensure sufficient Security for its full and faithful performance hereunder.
- 5.2 <u>Indemnification by CURRAN ROAD.</u> CURRAN ROAD shall defend, indemnify, save and hold the CITY(and its directors, officers, employees, agents, and insurers)

harmless from and against any damages said indemnitees might sustain for any negligent and/or intentional acts or omission by CURRAN ROAD prior to the mutual execution of this Agreement relating to the System and/or arising out of the execution hereof including, but not limited to, claims, actions, or proceedings (together with any costs, expenses, and reasonable attorneys' fees necessarily incurred), brought by or on behalf of CURRAN ROAD, any Member thereof, any third party, any regulatory agency, and/or franchise authority having competent jurisdiction; Provided, that the foregoing obligations shall not apply to damages arising out of CITY's sole negligence or intentional misconduct (i) in operating the System following the Closing date, (ii) in abandoning any portion and/or component of the System following Closing, and/or (iii) related to the CITY's construction, operation or maintenance of the System following Closing unless caused by or otherwise arising from the acts or omissions of CURRAN ROAD and/or its Members.

- 5.3 Indemnification by CITY. The CITY shall indemnify, defend and hold CURRAN ROAD (and its owners, members, officers, directors, agents, insurers) harmless from and against any damages said indemnitees might sustain for any negligent and/or intentional acts or omission by CITY relating to the System including, but not limited to, claims, actions, or proceedings (together with any costs, expenses, and reasonable attorneys' fees necessarily incurred), brought by or on behalf of any third party, any regulatory agency, and/or franchise authority having competent jurisdiction; Provided, that the foregoing obligations shall not apply to damages arising out of CURRAN ROAD's negligence or intentional misconduct in operating the System prior to the Closing Date unless caused by or otherwise arising from the acts or omissions of the CITY.
- 5.4 In the event of any obligations, indebtedness or liabilities of CURRAN ROAD that arise as the result of (i) incidents occurring prior to the mutual execution of this Agreement, (ii) its execution hereof, and/or (iii) any of its actions or omissions during its ownership and operation of the System between mutual execution hereof and the Closing Date specified in Section 4.2, the CITY may in such event, and at its sole discretion, elect to make payment to satisfy and fully resolve such obligations, indebtedness or liabilities, subject to the following:
  - 5.4.1 In the event the CITY intends to make any payment pursuant to this Section 5.4, it shall provide CURRAN ROAD with at least sixty (60) days prior written notice of such intent in order to provide CURRAN ROAD an opportunity to satisfy such obligation, indebtedness or liability or to express reasonable objection to payment thereof by CITY. The CITY will reasonably cooperate with any good faith effort commenced by CURRAN ROAD during such 60 day period to fully resolve the subject obligation, indebtedness or liability.
  - 5.4.2 In the event the CITY makes any payment pursuant to this Section 5.4, upon expiration of the notice period in Section 5.4.1 and following CURRAN ROAD's failure to timely and fully resolve any obligation, indebtedness or liability pursuant to Section 5.4.1, CURRAN ROAD and

its Members shall be jointly and severally liable for the full and prompt reimbursement of any and all payments made by the CITY; Provided that, the several liability of Members shall be limited to each Member's respective interest in the Curran Road Mutual Water Association such that no individual Member shall be held liable for the entirety of CURRAN ROAD's liability.

- 5.4.3 Notwithstanding any Security the CITY may obtain pursuant to Section 5.1 herein, any and all other bank or financial account funds held pursuant to this Agreement shall be made available by the holder thereof for the satisfaction of any and all obligations, indebtedness or liabilities of CURRAN ROAD hereunder.
- The CITY shall not be responsible for the application of any funds of CURRAN ROAD, from whatever source derived, except as otherwise expressly stated in this Agreement, nor for any tax liability of any sort assessed or levied thereon or arising out of the transactions and/or conveyances contemplated or required by this Agreement. CURRAN ROAD shall, on behalf of itself, secure and furnish to the CITY without cost to the CITY, whatever final tax rulings may be required in this matter to so protect the CITY, and in any event shall indemnify and hold the CITY harmless from any costs of defense and from all such claims and/or litigation, assessments or levies of whatsoever kind, nature or description for taxes actually owed to, alleged to be owed to or imposed by, any Federal, State, City, Municipal or other Governmental body or agency thereof and arising either directly or indirectly from entering into this Agreement.
- **5.6** CURRAN ROAD will cooperate in good faith with the CITY to timely obtain and deliver proof of any and all further authorizations, documents, and instruments, necessary for CITY to perform and/or enforce the rights and obligations set forth herein.
- **5.7** The Parties agree and stipulate that in the event any litigation should occur concerning or arising out of this Agreement, the sole venue of any legal action shall be the Pierce County Superior Court of the State of Washington and the interpretation of the terms of this Agreement shall be governed by the laws of the State of Washington.
- **5.8** CURRAN ROAD shall, upon the Closing Date permanently discontinue the water business and service to the CURRAN ROAD service area described in Exhibit A as a water company in accordance with applicable Department of Health regulations.
- 5.9 <u>Effective Date</u>. This Agreement shall not become effective unless approved by formal Resolutions of the CITY's Public Utility Board and CITY Council. If so approved, the Effective Date of this Agreement shall be on the next ensuing business day after the CITY Council Resolution has been adopted.
- 5.10 Recording of this Agreement. The CITY shall promptly record this Agreement with the Pierce County Auditor's Office upon the Closing Date. All costs of such recording shall be included in the calculation of CITY's acquisition costs to be paid according to Article II herein. Upon such recording, all easement rights and interests

specified in Section 1.3 shall vest in the CITY and public notice of all Surcharge obligations pursuant to Section 2.3 and Section 3.5 shall be deemed given and perfected. It is understood and agreed that such Surcharge may be further set forth by ordinance adopted by the City Council, but such ordinance shall not be a required condition for enforcement of any Surcharge or related remedies hereunder.

**5.11** It is understood and agreed that the individuals signing this Agreement on behalf of CURRAN ROAD and the CITY are doing so solely in their official capacity as the authorized representatives for the respective Parties, and not in their individual capacity.

Dated this 18 day of, 2017.			
APPROVED AND ACCEPTED:			
By: By: By: Secretary  Printed Name: PRESTON DEVERS Printed Name: JOM CARSETA			
ATTEST:			
State of Washington )			
On this day of			
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year his Albevia witten.  Notary Public in and for the State MED of Washington, residing at 1-6-18 Tacomo My Commission expires: 1-6-18			

Dated this day of	, 2017.			
APPROVED AND ACCEPTED:				
CITY OF TACOMA, DEPARTMENT OF PUBLIC UTILITIES				
By: William A. Gaines, Utilities Director/0	DEO			
ATTEST:				
AUTHORIZED BY PUBLIC UTILITY BOARD RESOLUTION NO AND CITY COUNCIL RESOLUTION NO				
By:  Clerk of the Public Utility Board	_			
APPROVED:				
Linda McCrea, Tacoma Water Superintendent				
Description Approved:				
Engineer				
Approved as to Form:	Approved:			
Ward Groves				
Deputy City Attorney	Finance Department			

### **EXHIBIT A**

## Legal Description For Curran Road Mutual Water Association Service Area

The purpose of the following legal description is to delineate the boundaries of the Curran Road Mutual Water Associations' service area as of June 2017, which is to be acquired by the City of Tacoma's Department of Public Utilities, d/b/a Tacoma Water. The following description should be used only for such purposes.

Parcels of land, all in Sections 12,13,24, and 25; Township 19 North, Range 3 East, W.M.; in Pierce County, Washington, further described as follows:

BEGINNING at a point 30 feet north of and 30 feet west of the quarter corner between Sections 12 and 13, Township 19 North, Range 3 East, W.M., in Pierce County, Washington, said quarter corner being a surface brass monument at the intersection of East 128th street and Bingham Avenue;

Thence westerly, along the north line of East 128th street, a distance of 281.13 feet to the southwest corner of Parcel 'A', as noted on Pierce County BLA No. 200404165001;

Thence northerly, 133.44 feet;

Thence easterly, 88 feet;

Thence northerly, 276 feet;

Thence westerly, 112 feet;

Thence northerly, 115.09 feet to the northwest corner of said BLA No. 200404165001;

Thence continuing northerly, 238 feet, more or less, to a point 792.71 feet north of the south line of Section 12:

Thence westerly, 160 feet to the west line of the east ½ of the west ½ of the east ½ of the southeast quarter of the southwest quarter of Section 12;

Thence northerly, along the west line of the aforementioned subdivision, a distance of 531 feet, more or less to the south line of the northeast quarter of the southwest quarter of Section 12;

Thence westerly, 495 feet, more or less, to the west line of the east three quarters of the northeast quarter of the southwest quarter of Section 12;

Thence northerly, 550 feet, more or less to the north line of the south half of the north 220 feet of the east three quarters of the south half of the northeast quarter of the southwest quarter of said Section 12; Thence easterly, 960 feet, more or less, along the north line of said subdivision to the west line of

Thence continuing easterly, 60 feet to the east line of Bingham Avenue;

Thence northerly, 295 feet, more or less, to the northwest corner of Lot 17, in the Plat of Boyles Addition, in the southeast quarter of Section 12, Township 19 North, Range 3 East, W.M., Pierce County;

Thence easterly, 270 feet to the northeast corner of Lot 4 of said Boyle's Addition;

Thence southerly, along the west line of 47thave, a distance of 187 feet, more or less, to a point west of the north line of Pierce County short plat No. 8008190183;

Thence easterly, 50 feet, to the northwest corner of said short plat:

Thence continuing easterly, along the north line of said short plat, a distance of 798.46 feet, to the northeast corner of said short plat;

Thence southerly, a distance of 661.36 feet, to the southeast corner of said short plat;

Thence easterly, a distance of 495 feet, more or less, to the northeast corner of the west half of the west half of the southeast quarter of said Section 12;

Thence southerly, along the east line of the aforementioned subdivision, a distance of 1290 feet, more or less, to the north line of East 128th street;

Thence westerly 1620 feet, more or less, along the north line of East 128th street, to a point 30 feet north of and 30 feet east of the quarter corner between Sections 12 and 13, Township 19 North, Range 3 East, W.M.:

Thence westerly, 60 feet, to the POINT OF BEGINNING.

EXCEPT roads.

Bingham Ave:

ALSO BEGINNING at a point 30 feet south of and 30 feet east of the quarter corner between Sections 12 and 13, Township 19 North, Range 3 east, W.M.; said quarter corner being a surface brass monument at

the intersection of East 128th street and Bingham Ave;

Thence easterly, along the south line of East 128th street, a distance of 1770 feet, more or less, to the northeast corner of the following described tract:

The east half of the west half of the northwest quarter of the northeast quarter of the northeast quarter of Section 13, Township 19 North, Range 3 East, W.M., EXCEPT the north 30 feet thereof;

Thence southerly, along the east line of the above described subdivision, a distance of 630 feet, more or less, to the north line of the Plat of Dogwood Meadow;

Thence easterly, along the north line of the south half of the northeast quarter of the northeast quarter of said Section 13, to a point 535 feet east of the west line of the northeast quarter of the northeast quarter of Section 13;

Thence southerly, 335 feet, more or less to a point on the south line of the north half of the south half of the northeast quarter of the northeast quarter of Section 13;

Thence westerly, 115 feet to the east line of the aforementioned Dogwood Meadow Plat;

Thence southerly, 40 feet, more or less, to the northwest corner of Lot 11, Block 2, Plat of Dogwood Meadow, said point being also 114.79 feet west of the northeast corner of said Lot 11;

Thence easterly, 700 feet, more or less, along the north line of said Plat of Dogwood Meadow, to a point 50 feet west of the northeast corner of Lot 17, Block 2, Dogwood Meadow;

Thence northerly, 40 feet, more or less, to the northwest corner of the following described tract:

The east 200 feet of the south half of the south half of the northeast quarter of the northeast quarter of Section 13, EXCEPT the south 290 feet thereof;

Thence easterly, parallel with the north line of the Plat of Dogwood Meadow, 133 feet, to the west line of Canyon Road, said point being 67 feet west of the east line of Section 13,

Thence southerly, parallel with and 67 feet west of the east line of Section 13, 330 feet, more or less, to the south line of Block 1, Plat of Dogwood Meadow;

Thence westerly, along said south line, a distance of 620 feet, more or less, to the northeast corner of the following described tract of land:

The east 64.5 feet of the west half of the north half of the north half of the southeast quarter of the northeast quarter of Section 13, Township 19 North, Range 3 East, W.M., EXCEPT the south 135 feet thereof;

Thence southerly, a distance of 196 feet, more or less, along the east line of the northwest quarter of the southeast quarter of the northeast quarter of Section 13, to the southeast corner of the above described subdivision:

Thence easterly, 20 feet, more or less, to the northwest corner of the following described tract of land: The south 135 feet of the east 660 feet of the north half of the north half of the southeast quarter of the northeast quarter of Section 13, Township 19 North Range 3 East, W.M.;

Thence southerly, 135 feet, to the southwest corner of the above described subdivision;

Thence westerly, 675 feet, more or less, to the east line of East 50th Ave;

Thence southerly, along the east line of 50<sup>th</sup> Avenue, 190 feet, more or less, to the northwest corner of the following described tract of land:

BEGINNING at the southwest corner of the south half of the north half of the southeast quarter of the northeast quarter of Section 13, Township 19 North, Range 3 East, W.M.;

Thence easterly, 180 feet, thence northerly 140 feet, thence westerly 180 feet, thence southerly 140 feet to the point of BEGINNING;

EXCEPT the westerly 15 feet thereof, for road;

Thence easterly, 165 feet, to the northeast corner of the above described tract of land;

Thence southerly 140 feet to the south line of the north half of the southeast quarter of the northeast quarter of said Section 13;

Thence easterly, 1070 feet, more or less, along the north line of the south half of the southeast quarter of the northeast quarter of said Section 13, to the west line of Canyon road, said point being 67 feet west of the east line of Section 13, as noted in Pierce County AF No. 200203041105;

Thence southerly, along the west line of Canyon Road, 600 feet, more or less to a point 65.3 feet north of the southeast corner of the northeast quarter of Section 13, as noted on Pierce County A.F. No.

200203041103, said corner position being a brass monument at the intersection of East 136<sup>th</sup> street and Canyon Road;

Thence southwesterly, 55.63 feet to a point 30 feet north of and 110 feet west of the aforementioned southeast corner of the northeast quarter of Section 13;

Thence westerly, a distance of 115 feet;

Thence southerly, a distance of 30 feet to a point on the south line of the northeast quarter of Section 13; Thence westerly 436 feet, more or less to a point on the north line of the southeast quarter of Section 13; Thence southerly, 30 feet to the northeast corner of Lot 19, Plat of Evergreen Estates Second Addition, in the southeast quarter of Section 13, Township 19 North, Range 3 East, W.M.;

Thence continuing southerly, along the east line of said Plat, 300 feet, more or less, to the north line of the south half of the northeast quarter of the northeast quarter of the southeast quarter of Section 13; Thence easterly, along said north line, a distance of 462 feet, more or less to a point 200 feet west of the east line of the southeast quarter of Section 13;

Thence southerly 135 feet;

Thence easterly 140 feet to the west line of Canyon road as per Pierce County ETN 1092461;

Thence southerly, along the west line of Canyon Road, 120 feet more or less, to a point 58 feet west of the east line of the southeast quarter of Section 13;

Thence westerly 102 feet;

Thence southerly, 75 feet to the north line of Capp's Second Addition, in the southeast quarter of Section 13, Township 19 North, Range 3 East, W.M.,

Thence easterly, along the north line of said Capps' Second Addition, a distance of 103 feet to the east line of Canyon Road as noted in Pierce County ETN No. 1092461;

Thence southerly, along the east line of Canyon Road, a distance of 330.36 feet to a point on the south line of Capp's Second Addition, said point being 52 feet west of the east line of Section 13;

Thence westerly, 610 feet, to the southwest corner of Capp's Second Addition, said point being on the east line Evergreen Estates Second Addition;

Thence southerly, along the east line of the west half of the northeast quarter of the southeast quarter of said Section 13, a distance of 330 feet, more or less, to the southeast corner of said subdivision;

Thence continuing southerly, along the east line of the west half of the southeast quarter of the southeast quarter of Section 13, 1290 feet, more or less, to a point 30 feet north of the south line of Section 13, said point being on the north line of East 144<sup>th</sup> street;

Thence westerly, along the north line of 144<sup>th</sup> street, a distance of 1960 feet, more or less, to a point 30 feet north of and 30 feet east of the quarter corner between Sections 13 and 24, Township 19 North, Range 3 East, W.M., said quarter corner being a surface brass monument at the intersection of East 144<sup>th</sup> street and Bingham Ave;

Thence westerly, 60 feet to a point 30 feet north of and 30 feet west of said quarter corner;

Thence southerly, 30 feet to a point on the south line of the southwest guarter of Section 13;

Thence westerly, along said south line of said southwest quarter of Section 13, a distance of 660 feet, more or less, to the southwest corner of the southeast quarter of the southeast quarter of the southwest quarter of Section 13;

Thence northerly, 1320 feet, more or less to the northeast corner of the northwest quarter of the southeast quarter of the southwest quarter of Section 13;

Thence continuing northerly, 1320 feet, more or less to the northeast corner of the northwest quarter of the northwest quarter of Section 13;

Thence continuing northerly, 1320 feet more or less to the northwest corner of the northeast quarter of the southeast quarter of Section 13;

Thence continuing northerly, 1120 feet, more or less to the northwest corner of Parcel 2, Pierce County Short Plat No. 200209165003;

Thence easterly 490.15 feet to the southeast corner of Parcel 1 of said Short Plat;

Thence northerly, 169,40 feet to the south line of East 128th street;

Thence easterly, 139 feet, to a point 30 feet south of and 30 feet west of the quarter corner between Sections 12 and 13, Township 19 North, Range 3 East, W.M., said quarter corner being the brass monument at the intersection of East 128th street and Bingham Avenue;

Thence continuing easterly, 60 feet to the POINT OF BEGINNING.

EXCEPT roads.

ALSO BEGINNING at the northwest corner of Section 24, Township 19 North, Range 3 East, W.M., said point being a 2 inch brass disk set in concrete;

Thence easterly, along the north line of Section 24, a distance of 2610 feet, more or less to a point 30 feet west of the quarter corner between Section 13 and 24;

Thence southerly, a distance of 30 feet;

Thence easterly, a distance of 60 feet to a point 30 feet south of and 30 feet east of said quarter corner

#### Water System Acquisition Agreement

between Sections 13 and 24:

Thence continuing easterly, along the south line of East 144<sup>th</sup> street, a distance of 1960 feet, more or less, to the northwest corner of Lot 'B' of Pierce County Boundary Line Adjustment No. 200006095004 in the northeast quarter of Section 24, Township 19 North, Range 3 East, W.M.

Thence southerly, 302.86 feet to the southwest corner of said Lot 'B';

Thence easterly 316.54 feet, to the northeast corner of the west half of tract 196 in Division Four of the Fruitland Garden tracts, in Pierce County:

Thence southerly 332.60 feet to the southeast corner of said west half of tract 196;

Thence easterly 96.32 feet to the northeast corner of the north 165 feet of the west 200 feet of the east 420 feet of tract 197, except the south 30 feet thereof, in Division Four of the Fruitland Garden Tracts; Thence southerly, 135 feet to the southeast corner of the aforementioned subdivision:

Thence easterly, 179 feet to the northeast corner of the south 30 feet of the north 165 feet of said Tract 197, except the east 41 feet thereof, as noted in Pierce County ETN No. 1101472;

Thence southerly 197.29 feet to the northeast corner of Emma Estates Condominium as recorded in Pierce County A.F. No. 200704175008;

Thence westerly 591.13 feet, to the northwest corner of said Emma Estates;

Then southerly, 998.40 feet to the southwest corner of the New View Park Binding Site Plan as recorded under Pierce County A.F. No. 201407035004;

Thence westerly, 100.87 feet;

Thence southerly, 166.61 feet;

Thence easterly, 100.64 feet to the southeast corner of the north 166.61 feet of tract 184 of Division Four of the Fruitland Garden Tracts;

Then southerly, 468.19 feet to the southeast corner of tract 185 of said Division Four of the Fruitland Garden Tracts, Pierce County, said point being on the north line of East 152<sup>nd</sup> street;

Thence southerly, 60 feet, to the south line of East 152nd street;

Thence easterly, 375 feet, to the northeast corner of the east 110 feet of the west 375 feet of tract No. 203 in Division Four of the Fruitland Garden Tracts;

Thence southerly, 299.30 feet to the southeast corner of the aforementioned subdivision;

Thence westerly, 375 feet to the southwest corner of tract No. 203 in Division Four of the Fruitland Garden tracts:

Thence southerly 2145 feet, more or less, to the southeast corner of Tract No. 192, in Division Four of the Fruitland Garden Tracts, said point being on the northeasterly line of East Brookdale Road;

Thence northwesterly, along the northeasterly line of Brookdale Road, 250 feet, more or less, to a point 60 feet northeasterly of the northwesterly corner of Lot 49 in the Plat of Fox Run, Pierce County;

Thence southwesterly, 60 feet to said northwesterly corner of said Lot 49;

Thence southerly, 243.87 feet;

Thence easterly, 210.00 feet, to the northeast corner of Lot 8, in the Plat of Mont Loma Estates, said point being also 708.76 feet west of the northeast corner of Section 25, Township 19 North, Range 3 East, W.M., as shown on the Plat of Mont Loma Estates, said northeast corner being a surface brass monument at the intersection of Canyon Road and 160th street East;

Thence southerly, 495 feet, to the southeast corner of Lot 17, in the Plat of Mont Loma Estates;

Thence westerly, 1765.5 feet, to the southwest corner of Lot 5;

Thence northerly, 495 feet to the northwest corner of Lot 3, in the Plat of Mont Loma Estates;

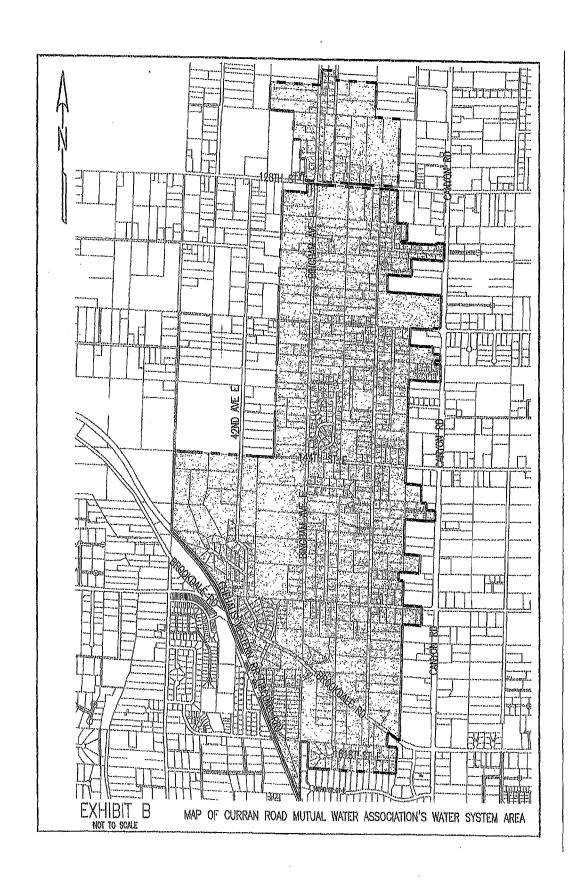
Thence westerly, 165 feet, to the quarter corner between Sections 24 and 25, Township 19 North, Range 3 East, W.M.:

Thence southerly, along the east line of the northwest quarter of Section 25, a distance of 1100 feet, more or less, to a point that intersects the centerline of the Tacoma Eastern Railroad;

Thence northwesterly, along the centerline of the Tacoma Eastern Railroad, a distance of 5700 feet, more or less, to a point that intersects the west line of the northwest quarter of Section 24, Township 19 North, Range 3 East, W.M.;

Thence northerly, along the west line of the northwest quarter of Section 24, a distance of 1520 feet, more or less, to the POINT OF BEGINNING and the TERMINUS of this legal description. EXCEPT roads.

# EXHIBIT B Map of Curran Road Mutual Water Association's Water System Area



#### EXHIBIT B-1

## Summary of System Improvements

- To be made by Tacoma Water as System Operator -

- a) Connect Tacoma Water and Curran Road water systems in 42nd Avenue East
- b) Construct water main in 161st Street East between 53rd Avenue East and 48th Avenue East, making connection to Tacoma Water main in 53rd Avenue East.
- c) Construct water main in 48<sup>th</sup> Avenue East between 161<sup>st</sup> Street East and Brookdale Road East.
- d) Separate southern portion of system by disconnecting feeds from the north.
- e) Install individual pressure reducing valves (PRV's) on services in the southern portion of the northern pressure zone.
- f) Revise connection to Tacoma Water system in the intersection of Canyon Road East and 152<sup>nd</sup> Street East. Revision will connect to Tacoma Water's 669' pressure zone.
- g) Construct water main in 131st Street East, between Canyon Road East and 50th Avenue East.
- h) Decommission pump station, and revise connection to Tacoma Water pipeline in 128<sup>th</sup> Street East.
- i) Retire 6" asbestos cement water main in Bingham Road East, between 128th Street East and 136th Street East. Transfer services and hydrants to the 12" ductile iron water main in Bingham Road East.
- j) Construct water main in 50<sup>th</sup> Avenue East, between 128<sup>th</sup> Street East and 131<sup>st</sup> Street East.
- k) Construct water main in 128<sup>th</sup> Street East, between 47<sup>th</sup> Avenue East and 50<sup>th</sup> Avenue East.
- I) Construct water main in 50<sup>th</sup> Avenue East, 131<sup>st</sup> Street East to 152<sup>nd</sup> Street East.
- m) Construct water main in 50th Avenue East, south of 152nd Street East.
- n) Construct water main in 138th Street East cul de sac west of Canyon Road East.
- o) Evaluate 2" and 4" water mains along 50<sup>th</sup> Avenue East, between 128<sup>th</sup> Street East and 152<sup>nd</sup> Street East, and replace where necessary.

- p) Construct water main in 152<sup>nd</sup> Street East, between Bingham Road East and 50<sup>th</sup> Avenue East.
- q) Construct water main in 144<sup>th</sup> Street East, between Bingham Road East and 50<sup>th</sup> Avenue East.
- r) Construct water main in 136<sup>th</sup> Street East, between Bingham Road East and 50<sup>th</sup> Avenue East.
- s) Construct water main in 47th Avenue East, north of 152nd Street East.
- t) Construct water main in 47th Avenue East, north of 144th Street East.
- u) Construct water main in 141st Street East, between Bingham Road East and 47th Avenue East.
- v) Construct water main in 145th Street East, east of Bingham Road East.
- w) Construct water main in 139th Street Court East, east of Bingham Road East.
- TX) Construct water main in Bingham Road East, between 128th Street East and 120th Street East.
- y) Construct water main in 120<sup>th</sup> Street East, between Bingham Road East and 47<sup>th</sup> Avenue East.
- z) Construct water main in 47<sup>th</sup> Avenue East, between 120<sup>th</sup> Street East and 128<sup>th</sup> Street East.
- aa)Construct water main in 136<sup>th</sup> Street East, between 50<sup>th</sup> Avenue East and 51<sup>st</sup> Avenue East.
- bb)Construct water main in 51st Avenue East, between 136th Street East and 141st Street East.
- cc) Construct water main in 141st Street East, between 50th Avenue East and 51st Avenue East.
- dd)Construct water main in Bingham Road East, 136th Street East to 152nd Street East.

# EXHIBIT C Sample Form of Easements for Water Utilities On Member Premises

# CITY OF TACOMA DEPARTMENT OF PUBLIC UTILITIES EASEMENT NO. XXX

Reference No.	P2011-xxx			
Grantors:	XXX			
Grantee:	City of Tacoma, Department of Public Utilities, Water			
	Division (d.b.a. Tacoma Water)			
Legal Descriptions:	XXX			
Tax Parcel Nos.:	XXX			
Supersedes:	This document supersedes that Easement recorded under			
	Pierce County Auditor File No. xxxxx (City of Tacoma,			
	Department of Public Utilities, Water Division Easement No. xxxx)			
•				
The undersigned (NAME OF CORP / PARTNERSHIP / LLC / TRUST), a (Corporation/Limited Partnership/General Partnership/Domestic Limited Liability Company), organized and existing under the laws of the State of Washington, record owner of the Premises hereinafter described, hereinafter referred to as "Grantors," for good and valuable consideration from the City of Tacoma, Department of Public Utilities, Water Division (d.b.a. Tacoma Water), hereinafter referred to as "Tacoma Water," the receipt of which is hereby acknowledged, does hereby grant unto said Tacoma Water, its successors and assigns, the right and privilege to construct, operate and maintain utilities including, but not limited to, underground utility facilities and all appurtenant equipment aboveground utility facilities and all appurtenant equipment water mains and all appurtenant equipment in, under, over, along and across the following real property situate and being in the County of Pierce and State of Washington, described as follows, to-wit:				
(legal description)				
, -				
Situate in County ofattached hereto and by this	, State of Washington; and as further shown on Exhibit "A" reference incorporated herein.			
*Legal Description reviewed for Ta	acoma Water, Date:			
By Chief Surveyor:				
Together with the right to tri	m and keep trimmed all vegetation located upon the tract of land			

It is agreed that the Grantors and its/their successors shall not construct any permanent structures within the easement area; provided that said easement area may be used for ingress, egress, parking and landscaping purposes to the extent the same shall not unduly interfere with the operation and maintenance of the facilities for which this Easement is granted. However, if the Grantors do construct a permanent structure within the easement area, the Grantee may at any time remove or cause the removal of such structures at the Grantor's/Grantors' cost. In

addition, the Grantee is not responsible for damaging the Grantor's/Grantors' structures within the easement area. For the purposes of the easement, a "structure" includes, but is not limited to, any building, fence, pavement, drain field, pipe, wall, rockery and earthworks.

The Grantors shall at all times provide access to Tacoma Water staff and its contractors to change, repair, renew or remove said equipment or facilities. The Grantors herein further grant to Tacoma Water, its contractors and/or agents, the right to hereafter temporarily enter upon the Grantor's/Grantors' remaining lands where necessary to construct or maintain said facilities.

The Grantor hereby agrees to indemnify, defend and save harmless the Grantee, its officers, employees, agents and volunteers from and against any and all claims, demands, lawsuits, damages, liabilities, losses and expenses (including reasonable attorneys' fees and costs) arising directly or indirectly out of any act or omission of the Grantor, its agents, contractors, licensees or guests and involving the subject matter of this Easement. The foregoing shall expressly apply to any and all actual or alleged injury to persons (including death) and/or damage to property, except to the extent such injury or damage results from the fault of the Grantee, its officers, employees, agents or volunteers. The term "fault" as used herein shall have the meaning set forth in RCW 4.22.015, as that statute may hereafter be amended.

Washington, on behalf of (name of Corp/Ptn (corporate/partnership) name and seal to be	naging partner(s)/managing member(s)/Trustee(s)
(type Name & Title here)	(type Name and Title here)
STATE OF WASHINGTON ) ) SS COUNTY OF PIERCE )	
COUNTY OF PIERCE )	
appeared before me, and said persons ackrand on oath stated that he/she/they was/we acknowledged it as the President / Officer / (Company Name/Trust Name) to be the free	Partner / Managing Member(s) / Trustee(s) of e and voluntary act and deed of such ses and purposes mentioned in the instrument.
Place Notary Seal in Box	
	Notary Public in and for the State of Washington Residing in My Commission Expires

Dated this	day of	. 2015
	•	
Accepted:		
	·	
Water Division Super	intendent	
Reviewed:		
Water Distribution Ma	nager	
Reviewed:		
		•
Water Distribution Eng	ineering	
Form Approved:		
Deputy/Assistant City A	ttorney	
Reviewed:		·
		·
Real Property Services		