

CROSS VALLEY WATER ASSOC., INC.
P.O. Box 131
Snohomish, WA 98290

NO EXCISE TAX
REQUIRED

5.00

APR 15 1985

ERIK SEEVERS, Snohomish County Treasurer
By *[Signature]*
Deputy

WATER SERVICE AGREEMENT

WHEREAS Cross Valley Water Association (hereinafter the "Association") and King County Water District No. 104, a municipal corporation (hereinafter the "District") provide water service to its members or customers, respectively, and

WHEREAS the service area of the Association is located predominantly in Snohomish County, Washington, and

WHEREAS the service area of the District is located predominantly in King County, Washington, and

WHEREAS there are circumstances where users or potential users of water lie within the service area of a party but water service can more feasibly be provided by the other party,

NOW THEREFORE, it is mutually covenanted and agreed as follows:

1. No Service Without Consent. Neither party will serve water in the service area of the other without the written consent of the other party. In addition, neither party shall permit or encourage a customer to hook up to the water lines of a party without the consent of such party. All service provided shall be done by Developer Extension. The parties hereby ratify and consent to all existing instances of service by one party to customers within the service area of the other.

2. Membership Fees and Charges. Presently the Association charges a membership fee for connection to the water system. The District charges as a capital contribution to the District fees in the form of assessments or developer extension fees, and a hookup charge for temporary water service. In the event that a customer of the Association, though located in the service area of the District, has paid a membership fee to the Association, and the District thereafter assumes responsibility for furnishing water to that customer, no further charges will be made to the customer except charges for water used by the customer, hydrant charges, or charges customarily paid by a District customer. Conversely, in the event that a customer of the District, though located in the service area of the Association, has paid to the District the charges referenced above, and the Association thereafter assumes responsibility for furnishing water to that customer, no further charges will be made to the customer except charges for water used by the customer, hydrant charges, or charges customarily paid by an Association member.

8504150231

8504150231

3. Latecomer Agreements. Presently each party has a policy of permitting latecomer reimbursement for a period of five years under certain circumstances. The District presently reimburses 80% of the amount collected in lieu of assessment whereas the Association presently reimburses 100%. Presently the District charges a latecomer's fee in lieu of assessment and the Association only charges the membership fee. The latecomer's policy of the Association shall apply to members of the Association located within the District's service area, even after the District has assumed responsibility for serving such member. The latecomer's policy of the District shall apply to customers of the District located within the Association's service area, even after the Association has assumed responsibility for serving such customer.

4. Termination of Interim Service. If a party has consented to the other furnishing water service to a customer and thereafter the party so consenting is in a position to provide water service to that customer whose property lies within its service area, the party seeking to take over the furnishing of water shall give 90 days written notice to the other of intention to do so. The party providing water service in the consenting party's service area shall provide a quit claim deed, assignment, or bill of sale, as may be appropriate, for the facilities at the time service is assumed by said consenting party. Any facilities required to furnish water service, or expense involved in providing such service, shall be borne by the party assuming the responsibility for providing water service.

5. Collection of Outstanding Accounts. At the time of the transfer contemplated in the following paragraph, each party agrees to cooperate in collecting any unpaid amounts due from the customer.

6. Approved by the Association by Resolution No. _____, duly adopted on _____, 1985.

7. Approved by the District by Resolution No. 1863, duly adopted on March 4, 1985.

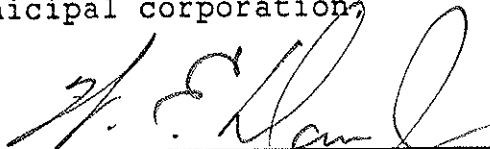
Dated this 9th day of April, 1985.

CROSS VALLEY WATER ASSOCIATION

By *Barney R. Keith*
Its President

8504150231

KING COUNTY WATER DISTRICT NO. 104,
a municipal corporation

By 
Its General Manager

2265B

RECORDED

1985 APR 15 PM 1:31

DEAN W. WILLIAMS, AUDITOR
SHROPSHIRE COUNTY, WASH.

DEPUTY



8504150231