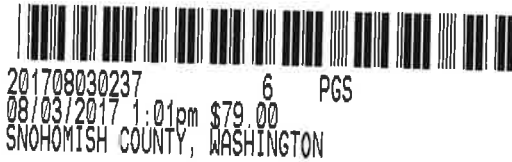


AFTER RECORDING RETURN TO:

CITY OF ARLINGTON
238 N OLYMPIC AVE
ARLINGTON, WA 98223



CITY FILE NO. PWD1037

UTILITY EXTENSION AGREEMENT

GRANTOR(S): DANIEL T. GULDEN, SARA M. WHITEHALL, PATRICIA L. WHITEHALL

GRANTEE(S): CITY OF ARLINGTON

LEGAL (abbrev.): Ptn. E ½ NE ¼ SW ¼ S. 13, T 31, R. 5 W.M.

ASSESSOR'S TAX NO. 31051300301200

REFERENCE NO.

THIS AGREEMENT is made and entered into this 20 day of July, 2017, by and between Daniel T. Gulden, Sara M. Whitehall, Patricia L. Whitehall, (hereinafter "Owner") and the City of Arlington, Washington (hereinafter "City").

WHEREAS, the Owner is the owner of certain Properties (the "Properties"), legally described as set forth on the attached Exhibit "A", incorporated herein by this reference, which Properties are located outside of the City limits but inside the City's Coordinated Water System Plan Service Area, and Owner wishes to connect to the City's water utility system(s); and

WHEREAS, the City wishes to agree to the extension of utilities to the Owner, on certain terms and conditions,

NOW, THEREFORE, for valuable consideration, the receipt of which is hereby acknowledged, it is agreed by and between the parties hereto as follows:

1. Title. The Owner warrants that the Owner is the owner of the Properties and is authorized to enter into this agreement.
2. Review. The City of Arlington has reviewed the Owner's proposed development as more particularly described on the attachment Exhibit "A". Said proposed development must comply with all of the Snohomish County land use code and development regulations applicable to said proposed development. Any deviations from these exhibits that are not approved by the City shall be considered a breach of this covenant and shall render this agreement null and void.

3. Extension Authorized On Certain Terms and Conditions. The City hereby authorizes the Owner to extend utilities to the Properties. The Owner hereby agrees to promptly connect to the utility systems when they become available. The Owner agrees to comply with, be bound by, and be subject to the City's ordinances, regulations, and policies concerning such service.
4. Construction. The City's City Engineer shall review and approve in writing the plans, specifications, and drawings of the Extension before construction commences. All construction of the Extension shall be completed in accordance with City standards now existing or as hereafter amended. The Owner shall permit the City to inspect the construction and installation of the Extension at any time before, during, or after connection is made to the City System. The City may reject any construction and installation not conforming to the approved design of the Extension and the requirements of this Agreement.
5. Permits, Easements and Licenses. The Owner shall secure and obtain at the Owner's sole cost and expense any necessary permits, easements and licenses to construct the Extension, including without limitation all necessary easements, excavation permits, street use permits or other permits required by state, county and City governmental departments, including without limitation the State Department of Ecology, Snohomish County Public Works Department, Snohomish County Planning and Development Services Department, Snohomish County Boundary Review Board and the City's Public Works Department.
6. Costs. The Owner shall pay all costs of designing, engineering and constructing the Extension and all costs incurred by the City in reviewing plans for and inspecting construction of the Extension. The Owner shall bear the risk of loss for or damage to all finished or partially finished work on the Extension until the City accepts the Extension. Performance and/or maintenance bonds or other security in a form acceptable to the City may be required for any work at the discretion of the City. The amount of such security, if any, shall be established pursuant to City code.
7. Connection Charges. The Owner agrees to pay: (a) connection charges for utilities at the rate schedules applicable at the time the Owner connects the Properties to the City System; (b) any inspection costs of the City; and (c) plan review costs.
8. Service Charges. In addition to the connection charges, the Owner agrees to pay for utility service rendered by the City in accordance with rates charged that are uniform for the class of customer or service supplied, as such rates exist or as they may be hereafter amended or modified, together with any utility taxes levied from time to time. The Owner acknowledges that service charges may consist of base charges as well as charges determined in accordance with the level of service provided.
9. Covenant to Annex. This agreement constitutes an irrevocable notice to the City of intention to commence annexation procedures. The Owner waives all applicable time requirements that require the City Council to meet within a prescribed time after receipt of this notice to decide whether the City will accept the Properties for annexation.

With full knowledge and understanding of the consequences of annexation and with full knowledge and understanding of the Owner's decision to forego opposition to

annexation of the Properties to the City, the Owner agrees to sign a petition for annexation to the City of the Properties as provided in RCW 35A.14.120, as it now exists or may hereafter be amended, at such time as the Owner is requested by the City to do so. The Owner also agrees and appoints the Mayor of the City as the Owner's attorney-in-fact to execute an annexation petition on the Owner's behalf in the event that the Owner shall fail or refuse to do so and agrees that such signature shall constitute full authority from the Owner for annexation as if the Owner had signed the petition. If the Owner is a corporation, an officer authorized to execute deeds or encumbrances on behalf of the Owner shall execute this Agreement, and there shall be attached to this Agreement as Exhibit "B" a certified excerpt from the bylaws of the Owner showing such authority.

This Agreement shall be deemed to be continuing, and if the Owner's Properties are not annexed for whatever reason, including a decision by the City not to annex, the Owner agrees to sign any and all subsequent petitions for annexation and agrees not to litigate, challenge or in any manner contest any such subsequent annexation to the City.

10. Covenant Running with Land. This Agreement shall be recorded with the Snohomish County Auditor and shall constitute a covenant running with the land as to the Properties and shall be binding on the Owner and the Owner's heirs, successors and assigns. All costs of recording this Agreement shall be borne by the Owner. In the event that any or all of the Properties is subdivided into smaller lots, the provisions of this Agreement shall bind the purchasers of each subdivided lot.
11. Termination. In the event the Owner fails to comply with any term or condition of this Agreement, in addition to any other remedies available, the City shall have the right to (a) terminate this Agreement upon ten days' written notice to the Owner and (b) terminate utility service to the Properties.
12. Attorney's Fees. In any suit or action seeking to enforce any provision of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees and costs, in addition to any other remedy provided by law or this Agreement.
13. Amendment/Assignment. This Agreement may be amended or modified only by a written instrument executed by the Owner and the City. The Owner shall not assign this Agreement or sell or contract to sell all or any portion of the Properties prior to notifying the City in writing of such assignment or sale.
14. Severability. If any portion of any term or provision of this Agreement, or any action taken pursuant thereto or the application thereof shall, to any extent, be finally determined invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.
15. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Washington, and venue in connection with any legal proceeding affecting this Agreement shall lie in the Superior Court of the State of Washington for Snohomish County.

DATED this 20 day of July, 2017.

GRANTOR:

By: Daniel T. Gulden
Daniel T. Gulden, Owner

By: Sara M. Whitehall
Sara M. Whitehall, Owner

By: Patricia L. Whitehall
Patricia L. Whitehall, Owner

GRANTEE:

CITY OF ARLINGTON, WASHINGTON

Debra Nelson
Debra Nelson, Mayor Pro Tem

ATTEST:

Kristin Banfield
Kristin Banfield, City Clerk

STATE OF WASHINGTON)

) ss:

COUNTY OF SNOHOMISH)

On this 20 day of JULY, 2017, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Daniel T. Gulden, Sara M. Whitehall, Patricia L. Whitehall, to me known to be the individual described in and who executed the within and foregoing instrument, and on oath stated that he was authorized to execute the instrument and acknowledged it as the Owner, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Witness my hand and official seal hereto affixed the day and year first above written



[Signature]
NOTARY PUBLIC in and for the State of Washington, residing at ARLINGTON
My commission expires: 3.9.2020
Printed name: KRISTIN FOSTER

STATE OF WASHINGTON)

) ss:

COUNTY OF SNOHOMISH)

On this 2nd day of August, 2017, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Deborah Nelson and Kristin Banfield, to me known to be the Mayor and City Clerk of the City of Arlington, Washington, the municipal corporation that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes herein mentioned.

Witness my hand and official seal hereto affixed the day and year first above written.



[Signature]
NOTARY PUBLIC in and for the State of Washington, residing at Arlington
My commission expires: 12-19-18
Printed name: Wendy Van Der Meersche

EXHIBIT "A"

(LEGAL DESCRIPTION OF PROPERTIES)

SEC 13 TWP 31 RGE 05 THE N 100,100 SQ FT OF FDP - TH PTN E1/2 NE1/4 SW1/4 & TH PTN NW1/4 SE1/4 LY NLY OF OLD BURN HILL RD & SLY OF NEW BURN HILL RD EXC RDS & EXC 10FT LY ADJ TO & PLW SLY MGN TR CONVD TO SNO CO PER AF NO 459771 (SD TR BEING NEW BURN HILL RD) & EXC 10FT LY ADJ TO & PLW NLY MGN TR CONVD TO SNO CO PER AF NO 525505 (SD TR BEING OLDBURN HILL RD) SUBJ TO TRANSMISSION LN ESE PUD AKA PAR A OF SP 28 (2-81) REC AF NO 8206170130

Situate in the County of Snohomish, State of Washington