



SOOS CREEK WATER AND SEWER DISTRICT

KING COUNTY, WASHINGTON

RESOLUTION NO. 2124 - C

A RESOLUTION of the Board of Commissioners of Soos Creek Water and Sewer District, King County, Washington, authorizing amendment to Joint Sewer Service Agreement with Cedar River Water and Sewer District.

WHEREAS, the District and Cedar River Water and Sewer District previously entered into a Joint Sewer Service Agreement dated January 9, 1980, and approved by Resolution 1876 of King County Water District No. 58; and

WHEREAS, the Districts now desire to amend the Agreement regarding use of capacity and annual charges; and

WHEREAS, Amendment No. 2 to the Agreement has been negotiated between the Districts, and approved by the Board of Commissioners of Cedar River Water and Sewer District; and

WHEREAS, the execution of this Agreement is within the authority of the District as a matter of cooperation between public agencies; and

WHEREAS, the Board of Commissioners hereby finds it to be in the interest of the public welfare to execute the Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of Soos Creek Water and Sewer District, King County, Washington, as follows:

SECTION 1: That the Board hereby authorizes the District Manager to execute the following:

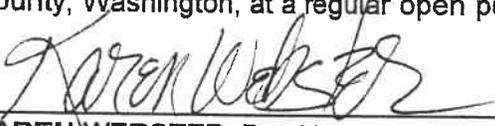
AMENDMENT NO.2 TO JOINT SEWER SERVICE AGREEMENT

SECTION 2: That the District shall take all such actions and do all things as are necessary and appropriate to perform the Agreement, as amended, in accordance with the terms thereof.

RESOLUTION NO. 2124-C

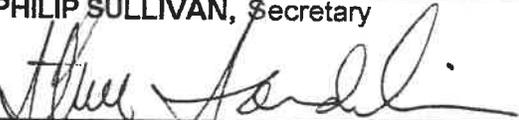
SUBJECT: Authorizing Execution of Amendment No. 2 to
Joint Sewer Service Agreement with
Cedar River Water and Sewer District

Adopted by the Board of Commissioners of Soos Creek Water and Sewer District, King County, Washington, at a regular open public meeting thereof on the 17th day of January, 2001.


KAREN WEBSTER, President


PHILIP SULLIVAN, Secretary


RANDY REECE, Commissioner


STEVE SANDELIUS, Commissioner


CLEMENT QUANRUD, Commissioner

RESOLUTION NO. 2124-C

SUBJECT: Authorizing Execution of Amendment No. 2 to
Joint Sewer Service Agreement with
Cedar River Water and Sewer District

PAGE - 2

ORIGINAL

AMENDMENT NO. 2 TO JOINT SEWER SERVICE AGREEMENT

THIS AMENDMENT is made this 17 day of JANUARY, 2001, between CEDAR RIVER WATER AND SEWER DISTRICT ("Cedar River"), a Washington municipal corporation and SOOS CREEK WATER AND SEWER DISTRICT ("Soos Creek") a Washington municipal corporation.

RECITALS

A. Soos Creek is the successor to Cascade Sewer District and Water District No. 58 of King County, Washington. Cedar River was previously known as Water District No. 108 of King County, Washington.

B. Soos Creek's predecessor and Cedar River entered into that certain Joint Sewer Service Agreement dated January 9, 1980 ("Agreement") for the purpose of allowing joint use of certain sewer facilities and establishing charges for such use. Amendment No. 1 to the Agreement related to the establishment of special connection charges for a King County Park.

C. Pursuant to the Agreement, Cedar River utilizes a portion of a Soos Creek sewer main ("Petrovitsky Park Interceptor") located from the intersection of West Lake Desire Road SE and SE 184th Street running northerly and westerly to the intersection of 163 Place SE and SE 174th Street. Cedar River proposes to utilize the remaining excess future capacity in the Petrovitsky Park Interceptor as identified in the study done by Roth Hill Engineers, "McGarvey Park/Shady Lake Flow Impacts" dated July 14, 1999 by providing sewer service to a portion of a development known as McGarvey Park ("McGarvey Park") which is a proposed approximate 560 lot residential development, located in Section 25, T 23 N, R 5E, W.M., King County, Washington. 164 lots in McGarvey Park will connect to the Petrovitsky Park Interceptor. Based on the July 14, 1999 study with the addition of 164 lots from McGarvey Park the remaining capacity of the Petrovitsky Park Interceptor will be entirely committed.

D. Pursuant to the Agreement, Cedar River also utilizes a portion of Soos Creek's sewer collection system ("Soos Creek Collection System") between manholes 608-1 and 608-3 as shown on Sewer Plan and Profile, Cambridge Off-site, prepared by Hedges & Roth Engineering, Inc., job no. 04-608, dated April 17, 1996, in the area of Shady Lake. This system will likely become fully utilized upon the ultimate build-out of Cedar River's Shady Lake area.

E. Pursuant to the Agreement, Soos Creek is authorized to use a portion of Cedar River's Madsen Creek Interceptor, Molasses Creek Interceptor and collection system as conveyance

systems to King County/Metro. These interceptors will be significantly modified based on plans by the King County Wastewater Treatment Division to abandon a portion of the Madsen Creek sewer trunk system and to construct a new interceptor on 140th Avenue SE. These projects will change the costs of owning and maintaining the Madsen Creek and Molasses Creek Interceptors and therefore reduce the allocation of such costs to Soos Creek.

F. In accordance with Section 3 of the Agreement, Soos Creek presently pays Cedar River the sum of \$ 0.42/month/residential equivalent, which presently is approximately \$7,000.00/ year, for the use of portions of Cedar River's Madsen Creek Interceptor, Molasses Creek Interceptor, and collection system. Such payment is based on the "Cedar River Water & Sewer District - Soos Creek Water & Sewer District, 1990 Updating and Review of Charges and Costs in accordance with the Joint Service Agreement" study done by Hugh G. Goldsmith & Associates, Inc. dated October 30, 1990. Now, therefore,

IN CONSIDERATION of the mutual covenants herein contained, the parties agree as follows:

1. Use of Capacity. Soos Creek hereby authorizes Cedar River to utilize, without charge, the following facilities:

- a. The remaining excess future capacity in the Petrovitsky Park Interceptor by Cedar River providing sewer service to 164 lots in McGarvey Park; and
- b. The Soos Creek Collection System by Cedar River providing sewer service to serve the ultimate build-out of Cedar River's Shady Lake area.

2. Relief from Annual Charge. The annual charge payable by Soos Creek to Cedar River for the use of the Madsen Creek & Molasses Creek Interceptors is hereby reduced to zero in exchange for the use of future capacity authorized in Section 1 above.

3. Future Capacity Studies. When the Petrovitsky Park Interceptor, Madsen Creek Interceptor, Molasses Creek Interceptor, or Soos Creek Collection System reach, through actual use, 85% of their of their design capacity, Cedar River and Soos Creek shall jointly engage a qualified engineering consultant to study the need for upgrades or replacement to the applicable facility. The study will be issued jointly to both Districts and the cost thereof shall be shared equally by both Districts.

4. Additional Capacity. If the foregoing study results in a recommendation for the construction of additional improvements, then the owner of the applicable facility shall design

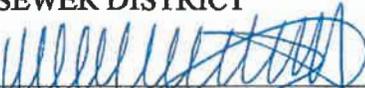
Does Agreement
Address O+M?

improvement and provide the other party with a copy. If the other party desires to utilize the proposed improvements, it shall respond in writing within ninety (90) days and the District which owns the facility shall proceed with obtaining permits and letting a construction contract for the work in accordance with law. The costs for construction of the improvements shall be shared between the Districts based on each party's share of the existing and estimated future use.

5. Construction. Each provision of this amendment shall be dependent upon the other. In the event that any portion of this amendment is held to be invalid, then this amendment shall be null and void in its entirety. This amendment shall amend and supercede the Agreement. The Agreement remains otherwise unchanged and is in full force and effect.

Executed at Renton, Washington as of the date first appearing above.

CEDAR RIVER WATER
AND SEWER DISTRICT

by: 
Authorized Signature
Ron Sheadel
District Manager

SOOS CREEK WATER
AND SEWER DISTRICT

by: 
Authorized Signature
Ron Speer
District Manager

ADDENDUM NO.1 TO JOINT SEWER SERVICE AGREEMENT OF

January 9, 1980

(Including Revision to the
RECIPROCAL SEWER MAINLINE USE AGREEMENT OF
November 7, 1968)

THIS AGREEMENT, made and entered into this 25TH day of SEPT, 1980, by and between WATER DISTRICT NO. 108 of KING COUNTY, WASHINGTON, hereinafter referred to as "W.D. 108," and CASCADE SEWER DISTRICT, hereinafter referred to as "Cascade," and WATER DISTRICT NO. 58 of KING COUNTY, WASHINGTON, hereinafter referred to as "W. D. 58," all being Special Purpose Districts and Washington municipal corporations, existing under and by virtue of the laws of the State of Washington,

W I T N E S S E T H:

WHEREAS, the parties heretofore entered into a Joint Sewer Service Agreement dated January 9, 1980, recorded under King County Records File No. 8003130671 (hereinafter referred to as "1980 Agreement"), the principal purpose of which was to provide for joint use of certain sewer trunk lines by W.D.108 and Cascade and W.D.58 within the Molasses Creek Basin, the Madsen Creek Gravity Basin, the area (Lake Desire Basin) including Lake Desire draining by gravity and pump to Unit D of the Madsen Creek interceptor, and the area (Spring-Shady Lake Basin) to the south and east of Lake Desire which would be served through Unit D by pumping through the Lake Desire Basin, the trunk lines of each District now and/or as may hereafter be constructed in accordance with the Comprehensive Plans of each District; and

WHEREAS, W.D.108 and Cascade heretofore entered into an agreement dated November 7, 1968, (hereinafter referred to as "1968 agreement") the principal purpose of which was to provide for a portion of the plat of Fairwood Division No. 9, consisting of 35 lots, to be served by sewer system installed by Cascade and connected to the W.D.108 collection system tributary to the W.D.108 Molasses Creek sewer trunk line, and which agreement does not provide for the payment of monthly service charges for the Fairwood Division No. 9 lots to W. D. 108, and which agreement does not authorize or provide for the connection by Cascade of any other sewer lines to the W.D.108 sewer trunk line; and

WHEREAS, Cascade has connected its sewer system constructed in the area known as "Fairlane Woods," a subdivision containing 108 lots with a sewer system consisting of approximately 3,500 feet of 8-inch sewer line and 22 manholes lying within the boundaries of Cascade, to the Cascade sewer collection main at the north boundary of Fairwood Division No. 9,

which sewer line drains into the W.D. 108 collection system tributary to the W.D.108 Molasses Creek trunk sewer; and

WHEREAS, W.D. 108 requires connection charges and sewer service charges to be paid by owners of property utilizing the W.D. 108 sewer system, and provision is made in the 1980 agreement for such charges to be paid by Cascade in respect to the property serving through W.D. 108 sewer system under said agreement; and W.D. 108 is entitled to connection charges, monthly service charges, interest and penalties by reason of aforesaid connection by Cascade; and the parties have agreed to such charges; and

WHEREAS, Cascade has requested that the 1980 agreement be amended by addendum to permit the continued connection of the Fairlane Woods sewer system to the sewer lines served by the W.D. 108 Molasses Creek trunk line; and

WHEREAS, W.D.108 has requested that the 1980 agreement be amended by addendum to allow for the collection of monthly service charges for those lots in Fairwood Division No. 9 which are covered in the 1968 agreement, to allow for the equitable treatment of all lots which lie in the drainage basins specified in the 1980 agreement;

IN CONSIDERATION of the foregoing recitals and the mutual promises and agreements herein contained and set forth, it is agreed by and between the parties as follows:

1. The connection of the Cascade sewer system serving the Fairlane Woods area may remain and the service to the Molasses Creek sewer trunk line of W.D. 108 now being utilized for disposal of sewage from the Fairlane Woods area may continue. W.D. 108 acknowledges receipt of payment by Cascade of the sum of \$23,659.95 in full payment of connection charges, delinquent service charges, interest and penalties, as agreed to between the parties, said charges being based upon the rates established in the 1980 agreement. Cascade agrees to continue to pay monthly service charges for service for the Fairlane Woods area and also agrees to pay monthly service charges for the Fairwood Division No. 9 area described in the 1968 agreement (35 lots only), commencing April 1, 1983.

2. The 1980 agreement is amended to provide for such use by Cascade of the W.D. 108 Molasses Creek trunk line as to Fairlane Woods; and is further amended to provide for payment by Cascade to W.D. 108 of the monthly service charges for the Fairlane Woods area and for the Fairwood Division No. 9 (35 lots only) area.

3. It is understood that all other provisions of the 1980 and 1968 agreements not herein amended or modified, shall be applicable to the properties described herein.

DATED AT Renton, Washington this 25TH day of SEPT., 1984.

Approved by Resolution No. 2026 of the Board of Commissioners of Water District No. 108 of King County, Washington, at its regular meeting held on September 25, 1984.

WATER DISTRICT NO. 108
OF KING COUNTY, WASHINGTON
BOARD OF COMMISSIONERS

By: [Signature]
President
By: [Signature]
Secretary
By: [Signature]
Commissioner

Approved by Resolution No. 2125 of the Board of Commissioners of Cascade Sewer District of King County, Washington, adopted at its regular meeting held on October 18, 1984.

CASCADE SEWER DISTRICT
OF KING COUNTY, WASHINGTON
BOARD OF COMMISSIONERS

By: [Signature]
President
By: [Signature]
Secretary
By: _____
Commissioner

Approved by Resolution No. 2417 of the Board of Commissioners of Water District No. 58 of King County, Washington, adopted at its regular meeting held on October 18, 1984.

WATER DISTRICT NO. 58
OF KING COUNTY, WASHINGTON
BOARD OF COMMISSIONERS

By: [Signature]
President
By: [Signature]
Secretary
By: [Signature]
Commissioner

JOINT SEWER SERVICE AGREEMENT

THIS AGREEMENT made and entered into this 9th day of January, 1980, by and between CASCADE SEWER DISTRICT, a Washington municipal corporation, hereinafter referred to as "Cascade", and WATER DISTRICT NO. 108 OF KING COUNTY, WASHINGTON, hereinafter referred to as "District 108", and WATER DISTRICT NO. 58 of KING COUNTY, WASHINGTON, hereinafter referred to as "District 58", all Districts duly organized and existing under and by virtue of the laws of the State of Washington,

WITNESSETH:

WHEREAS, District 108 is qualified to provide both water and sewer service within its prescribed area; and

WHEREAS CASCADE is qualified to provide sewer service within its prescribed area; and

WHEREAS District 58 is qualified to provide water service within its boundaries; and

WHEREAS portions of these Districts are contiguous to each other; and

WHEREAS District 108 is providing sewer service to an area within District 58's boundaries; and

WHEREAS existing trunk sewer facilities of District 108 and the topographical features of the areas in the Molasses Creek basin (upper portion in Cascade Service area and lower portion in District), Madsen Creek gravity basin (upper portion in Cascade service area and lower portion in District 108's service area, the area in the Lake Desire basin, including Lake Desire draining by gravity and pump to Unit D of the Madsen Creek Interceptor (within Cascade service area), and the area to the south and east of Lake Desire basin which would be served by Unit D by pumping through Lake Desire (within District 108's service area in the Spring-Shady Lakes basins) are such that the joint use by Cascade and District 108 of the sewer trunk lines now and/or hereafter installed by Cascade and District 108 through a joint sewer service contract will result in a more efficient and economical means of providing sewer service to the service areas of each District; and the boundaries of each District and the above-described service areas are shown on the attached area map marked Exhibit "A" and by this reference made a part hereof as though set forth herein in full; and

WHEREAS it is in the public interest for the parties herein to enter into an agreement which will allow each District to utilize the available trunk sewer lines

of the other to achieve the best efficient and economical means of providing sewer service to the service areas of each District; and

WHEREAS there is a need of equitable allocation of charges to be paid for general facilities connection charges and maintenance and operation charges of each District by the District using the trunk sewer facilities of the other District; and

WHEREAS District 58 and Cascade have agreed to joint use of personnel and facilities; and an agreement of joint use between Cascade and District 108 is beneficial to District 58 because of the aforementioned joint operation agreement between Cascade and District 58, now, therefore,

IT IS HEREBY AGREED by and between the parties hereto as follows:

1. Joint Use of Sewer Trunk Lines. Cascade and District 108 agree that each District shall have the right to use certain trunk sewer lines of the other within the areas in the Molasses Creek basin, Madsen Creek Gravity Basin, the area (Lake Desire basin), including Lake Desire draining by gravity and pump to Unit D of the Madsen Creek interceptor, and the area (Spring-Shady Lake basin), to the south and east of Lake Desire which would be served through Unit D by pumping through Lake Desire, the trunk sewer lines of each District now existing and/or as may hereafter be constructed in accordance with the Comprehensive Plans of each District, said trunk lines being set forth on Exhibit "A".

2. General Facilities Connection Charge. Each District utilizing the trunk sewer of the other District shall pay to such District a general facilities connection charge computed as hereafter provided.

A. Computation. The Engineers of Cascade and District 108 have prepared and approved a formula for computation of the general facilities connection charge of each District, which formula is set forth in Subpara. B. hereof. Based upon such formula, each District shall compute the general facilities connection charge to be charged to the other District for utilization of trunk sewer lines by such other District. Such formula is hereby accepted and approved by each District. The Board of Commissioners of each District shall adopt the general facilities connection charge for its District by resolution prior to or upon receipt of a request from the other District to connect sewer system facilities to the general facility trunk sewer line of the District receiving such request. Such general facility connection charges shall be subject to bi-annual review as hereafter provided.

B. Factors. In the calculation of the general facilities connection charge, the following factors shall be determined for each District and shall be the

sole factors used for such calculations:

- i. All existing and future general facilities required to serve the benefitted areas within each drainage basin; and
- ii. The value, based upon cost, which may include administrative cost not to exceed fifteen (15%) percent, of existing general facilities and future general facilities to be constructed by each District to serve the benefitted areas within each drainage basin as described on Exhibit A; and
- iii. Computation of the value based upon costs of all general facilities acquired to date by each District, excluding therefrom developer contributions received and grants from federal and state agencies and any and all other costs of general facilities not paid for by the District; and
- iv. The acreage area to be served and the projected count of dwelling units based upon current county zoning ordinances for each drainage basin shown on Exhibit A for such area which would be benefitted by the construction of future general facilities by each District still to be constructed in any such drainage basin.

The general facilities charge for each District would then be the cost of the existing general facilities and, when constructed, the cost of the remaining general facilities, distributed over the acreage to be benefitted, based upon the existing and/or projected dwelling units to be benefitted.

3. Maintenance and Operation Charges. Each District utilizing the sewer trunk line of the other District shall pay a monthly service charge from the date of connection (maintenance and operation charge) in the amount and in the manner hereafter provided. The maintenance and operation costs of each District shall be based upon the costs per lineal foot of the sewer trunk line utilized by the other District per customer equivalent served. The current financial statements of each District shall be used to determine:

- A. Operating costs, including all administrative and general costs and depreciation costs at two (2%) percent per year;
- B. Length of sewer system, including collection system and all trunk lines, as of date of statement;
- C. Number of customer equivalents serviced as of date of statements based upon reports of each District to Metro.

The cost per lineal foot of the sewer system per customer equivalent served shall then be calculated. The monthly service charge would then be the unit cost thus obtained multiplied by the average length of sewer utilized in District 108 by Cascade, or conversely in Cascade by District 108.

4. Review of Charges and Costs. The foregoing general facilities connection charge and monthly service charge shall be reviewed every two (2) years by each District and revised as necessary to reflect current and future costs; current costs shall be based upon the financial statements of each District for the preceding two years and necessary adjustments made on or before April 1 of the second year of each two-year period. Future costs shall be adjusted based upon ENR reference tables adjusted to the locality and/or amounts of bids and contracts pending. Proposed adjustment by either District shall be communicated to the other District on or before March 1 of each two-year period for review and comment. The revised amounts accepted by each District shall be in force and used for the purposes of this agreement by each District until March 31 of the second year of each two-year period.

5. Request for Utilization of Trunk Sewer Line. A District requesting the use of the trunk sewer line of the other District shall make written request for connection, which request shall contain the following information:

- A. The point at which connection is desired; and
 - B. A map showing the area for which sewer service is to be furnished by the requesting District; and
 - C. Statement of the manner in which the sewer collection system for the proposed area to be served is to be installed (i.e., by developer extension, U.L.I.D., or otherwise); and
 - D. The number of projected single family residences or equivalents to be served in such proposed area; and
 - E. The approximate time when such connection is to be made; and
 - F. The current predetermined general facility charge to be paid by the requesting District; and
 - G. The current predetermined maintenance and operation charge to be paid by the requesting District; and
- within ninety (90) days of the date of the request, the Board of Commissioners of the District receiving the request shall act upon same by resolution, said action to be based upon the provisions of this agreement and shall furnish a copy of such resolution to the requesting District, together with the schedule of connection charges and monthly service charges then in force, together with a copy of the resolution adopting the same.

6. Connection to Trunk Lines. The requesting District shall give at least ten (10) days notice of the time actual connection is desired, which shall be on a business day within business hours. The requesting District shall supply all labor

and material required for the connection. The District owning the trunk line to be utilized shall inspect and approve the connection.

7. Payment of Charges by Requesting District.

A. General Facilities. General facilities connection charges shall be paid by the requesting District in cash at least ten (10) days prior to the time of connection and shall be accompanied by the notice of the time actual connection is requested, provided the collecting District shall add an administrative charge of fifteen (15%) percent to such connection charges to be collected from the property owners seeking sewer service and retained by the collecting District.

B. Maintenance and Operation Charges. The requesting District shall submit a list of customers connected to its collection system which utilizes the trunk system of the other District as of the end of each month following the month in which the connection is made, which list shall include the name and address of the customer. The District owning the trunk line to which connection is made shall bill the requesting District for monthly service charges on a bi-monthly basis, the first billing to be made in sixty (60) days from the date connection is made. Payment will be due and payable thirty (30) days from the billing date. If not paid when due, such charges shall bear a ten (10%) percent penalty and interest at the rate of ten (10%) percent per annum until paid.

C. Legal action may be commenced to enforce collection as to any charges delinquent for sixty (60) days, and the debtor District shall pay all court costs and a reasonable attorneys fees not less than fifteen (15%) percent of the delinquent amount, including interest and penalties, fixed by the court in any such action.

8. Approval of Permanent Service by District 108. District 58 hereby grants the right and privilege to District 108 to provide a sewer collection service trunk lines and appurtenances as required to that certain area described on attached Exhibit A and identified as "Candlewood Ridge" so long as this agreement remains in full force and effect; and provided further, that if at any time District 108 fails to serve said area for any reason, including but not limited to a merger with King County, then this provision of this agreement shall terminate.

9. This agreement constitutes the entire agreement of the parties, and

there are no representations or oral agreements which vary the terms of this agreement.

Dated this 3rd day of January, 1980.

Approved by Resolution No. 1183 of Board of Commissioners of Cascade Sewer District adopted at its regular meeting held January 22, 1980.

CASCADE SEWER DISTRICT
BOARD OF COMMISSIONERS

By: [Signature]
President

By: _____
Secretary

[Signature]
Commissioner

Approved by Resolution No. 1876 of Board of Commissioners of Water District No. 58 of King County, Washington at its regular meeting held January 22, 1980.

WATER DISTRICT NO. 58 OF KING
COUNTY WASHINGTON BOARD OF
COMMISSIONER

By: [Signature]
President

By: [Signature]
Secretary

[Signature]
Commissioner

Approved by Resolution No. 1470 of Board of Commissioners of Water District No. 108 of King County, Washington at its regular meeting held JAN 23, 1980.

WATER DISTRICT NO. 108 OF KING
COUNTY WASHINGTON BOARD OF
COMMISSIONERS

By: [Signature]
President

By: [Signature]
Secretary

[Signature]
Commissioner

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 22nd day of January, 1980, before me, the undersigned, a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared SAM PAFFILE and BEN BERGSMA, to me known to be the President and Commissioner, respectively, of Cascade Sewer District of King County, Washington, a municipal corporation, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

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

NOTARY SEAL

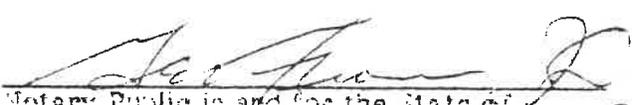

Notary Public in and for the State of
Washington, residing at Bellevue

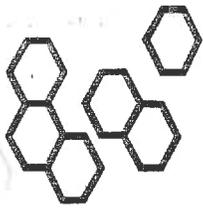
STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 22nd day of January, 1980, before me, the undersigned, a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared SAM PAFFILE and BEN BERGSMA and PATRICK J. BRADY, to me known to be the President and Secretary and Commissioner, respectively, of Water District No. 58 of King County, Washington, a municipal corporation, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

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

NOTARY SEAL


Notary Public in and for the State of
Washington, residing at Bellevue



Hugh G. Goldsmith & Associates, Inc.

October 30, 1990

Cedar River Water & Sewer District
18300 S.E. Lake Youngs Road
Renton, WA 98058

Attention: Rosemary Allison, Manager

Re: Cedar River Water & Sewer District -
Soos Creek Water & Sewer District
1990 Updating and "Review of Charges and Costs"
in accordance with the Joint Service Agreement.

Dear Rosemary:

Submitted herewith are four (4) copies of our report covering the above referenced "Review of Charges and Costs". The summary of required charges as indicated on Page 1 of the report indicates the following:

A. REQUIRED GENERAL FACILITIES CHARGES

= \$3,000.48/Ac. or 6.89¢/s.f.

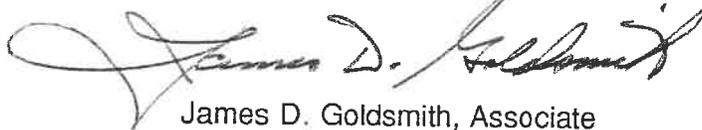
B. REQUIRED MONTHLY SERVICE CHARGE (per customer equivalent)

= \$4.98/year or 42¢/month.

We are available to discuss this information further at your convenience.

Very truly yours,

HUGH G. GOLDSMITH & ASSOCIATES, INC.



James D. Goldsmith, Associate

cc: Jonson & Jonson w/encl.

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consulting engineers • surveyors • planners

1450 - 114th Avenue S.E. / Conifer Building, Suite 100 / Bellevue, WA 98004
(206) 462-1080 / FAX 462-7719

SUMMARY OF REQUIRED CHARGES

A. REQUIRED GENERAL FACILITIES CHARGE

Total Gravity Area Assessible

Balance Required/Area Assessible
= \$1,1661,785.65/387.2 ac. - \$3,000.48/ac - 6.89¢/sf

B. REQUIRED MONTHLY SERVICE CHARGE

Service Charge per Customer Equivalent - \$4.98/year - \$0.42/month

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I. COST OF EXISTING AND PLANNED SEWER SYSTEM GENERAL FACILITIES

A. MOLASSES CREEK BASIN GENERAL FACILITIES

		Prior 1986/1988	Current 1990
1. Molasses Creek Trunk, Section 1			
a. 12", 18", 21" sewer ^{1, 3}	3,600 lf	\$162,348.00	\$162,348.00
b. Replace 8" FM w/18" sewer & Crossing to Metro (1989)	880 lf	\$219,558.51	\$281,243.00
Subtotal, Section 1	4,480 lf	\$381,905.51	\$443,591.00
2. Molasses Creek Trunk, Section 2			
a. Fairwood Trunk A oversize ⁴	5,847 lf	\$61,901.00	\$61,901.00
Subtotal, Section 2	5,847 lf	\$61,901.00	\$61,901.00
3. Molasses Creek Trunk, Section 3			
a. Fairwood Trunk F & C oversize	9,041 lf	\$42,784.00	\$42,784.00
Subtotal, Section 3	9,041 lf	\$42,784.00	\$42,784.00
4. Molasses Creek Trunk, Section 4			
a. Elliot Trunk oversize 10/8" ²	3,300 lf	\$18,789.37	will be local
Subtotal, Section 4	3,300 lf	\$18,789.37	n/a
Total, Molasses Creek Basin		\$505,380.88	\$548,276.00

B. MADSEN CREEK BASIN GENERAL FACILITIES

			Prior	Current
			1986/1988	1990
1. Madsen Creek Trunk, 1976 EPA Project⁵				
a. Unit B sewer	12/18/21"	5,110 lf	\$257,352.00	\$257,352.00
b. Unit C1 sewer	8"	1,040 lf	\$ 56,875.00	\$ 56,875.00
Subtotal 1		6,150 lf	\$314,227.00	\$314,227.00
2. Madsen Trunk C2 Continued through Fairwood				
a. Div. 19 oversize,	18/8" @ 9.05 ⁶	540 lf	\$ 4,887.00	\$ 4,887.00
b. <i>Golf Course Conn.</i>	12"	1,100 lf	\$ 93,949.84	\$125,093.00 ⁷
c. Bluff Apts. oversize,	12/8" @ 4.00	950 lf	\$ 3,800.00	\$ 3,800.00
d. Candlewd Multiple	12/8" @ 6.00	1,300 lf	\$ 7,800.00	\$ 7,800.00
e. Petrovitsky Crossing			\$ 26,000.00	\$ 26,000.00
Subtotal 2		3,890 lf	\$136,436.84	\$167,580.00
3. Madsen Trunk D				
a. Canyon Unit D-1				
Phase 1 (1989)	12"	1,887 lf	\$256,227.64	\$383,123.00
<i>Phase II & III</i>	12"	2,400 lf	<i>incl above</i>	\$600,000.00 ⁸
b. Unit D-2 thru Fairwood				
Division 15 oversize		1,194 lf	\$ 15,600.00	\$ 15,600.00
Division 18 oversize		2,479 lf	\$ 41,318.00	\$ 41,318.00
Subtotal 3		7,960 lf	\$313,145.64	\$1,040,041.00
Total, Madsen Creek Basin			\$763,809.48	\$1,521,848.00

Notes:

1. Plain text denotes completed facilities.
2. *Italics* denote planned facilities remaining to be completed
3. Established in Fairwood reimbursement agreement for Molasses Creek Trunk, April 9, 1969
4. Fairwood trunk system oversize constructed by Developer, in consideration for reduced connection charge of \$35/ac. over Contract area. Estimate of actual cost at time of construction
5. Richard C. T. Li, Inc., "Madsen Creek Interceptor Final Report", November 24, 1976.
6. Goldsmith and Associates, "Reimbursement Report to Water District No. 108", June 12, 1978
7. Goldsmith and Associates, "1990-2000 Capital Improvement Program Cost Projections", December 19, 1989
8. Ibid, Cost adjustment per actual constructed cost of Unit D-1 Phase 1, 1990

II. GENERAL FACILITIES FUNDS COLLECTED

A. MOLASSES CREEK BASIN GENERAL FACILITIES FUNDS COLLECTED

1. Fairwood Properties

a. Contract Area	@ \$35/ac	491 ac.	\$17,185.00	
b. Division 9 (portion),	@ \$0.015/sf	9 ac.	\$ 5,880.60	
c. Division 14	@ \$0.015/sf	6 ac.	\$ 3,920.40	
Subtotal, Fairwood Properties				\$26,986.00

2. Other Properties

a Fairwood Plaza			\$ 8,364.00	
b Fairlane Woods		108 lots	\$15,164.00	
c. ULID 49-1		1 lots	\$ 216.00	
d. Shadowood		113 lots	\$164,257.80	
Subtotal, Other Properties				\$188,001.80

Total Funds Collected, Molasses Creek Basin **\$214,987.80**

B. MADSEN CREEK BASIN GENERAL FACILITIES FUNDS COLLECTED

1. Fairwood Properties

Contract Area	@ 200	120 lots	\$24,000.00	
Division 16	@ 200	87 lots	\$17,400.00	
Division 17	@ 200	18 lots	\$ 3,600.00	
Division 18	@ 200	119 lots	\$23,800.00	
Division 22	@ 200	79 lots	\$15,800.00	
Subtotal, Fairwood Properties				\$84,600.00

2. Other Properties

George Bell	@ 200	1 house	\$ 200.00	
Morningtown	@ 200	100 lots	\$20,000.00	
Candlewood 1	@ 200	25 lots	\$ 5,000.00	
Candlewood 2	@ 200	84 lots	\$16,800.00	
Candlewood 3	@ 200	111 lots	\$22,200.00	
Candlewood 4	@ 200	89 lots	\$17,800.00	
Candlewood 5	@ 200	76 lots	\$15,200.00	
Candlewood 6	@ 200	21 lots	\$ 4,200.00	
Candlewood PUD in SC		245 eru	\$20,520.07	
Candlewood PUD in CR		76 eru	\$57,030.00	
Carriagewood 1		74 lots	\$12,753.00	
Carriagewood 2		27 lots	\$ 7,756.00	
Carriagewood 3		30 lots	\$ 8,922.00	
Carriagewood 4		48 lots	\$12,686.00	
Carriagewood 5		55 lots	\$14,059.10	
Carriagewood 6		39 lots	\$10,384.68	
Carriagewood 7		41 lots	\$ 9,977.30	
Carriagewood 8		30 lots	\$ 7,812.00	
Clubhouse Apartments		89 eru	\$ 3,051.00	
Fairwood Firs		73 eru	\$27,918.47	
Whitney Place		22 lots	\$ 6,152.93	
Subtotal, Other Properties				\$300,422.55

3. Grants

a. Madsen, Unit B, EPA/DOE	\$214,965.00	
b. Madsen, Unit B, Metro	\$ 33,714.00	
c. Madsen, Unit C, EPA/DOE	\$ 42,993.00	
Subtotal, Grants		\$291,672.00

Total Funds Collected, Madsen Creek Basin **\$693,350.55**

III. CALCULATION OF REQUIRED GENERAL FACILITY CHARGE

A. GENERAL FACILITIES FUNDS, BALANCE REQUIRED

1. Cost of Existing and Planned Sewer System General Facilities

a. Molasses Creek Basin	\$ 548,276.00	
b. Madsen Creek Basin	\$1,521,848.00	
Subtotal 1		\$2,070,124.00

2. General Facilities Funds Collected

a. Molasses Creek Basin	\$214,987.80	
b. Madsen Creek Basin	\$693,350.55	
Subtotal 2		\$908,338.35

Total, General Facilities Funds Balance Required **\$1,161,785.65**

B. ASSESSIBLE AREA REMAINING

1. Molasses Creek Gravity Drainage Basin

a. Ruth	13.4 ac.	
b. Veenhuizen	30.0 ac.	
Subtotal, Cedar River District		43.4 ac.
c. Soos Creek Sewer District	316.8 ac.	
Less 25% for R/W's	(79.2 ac.)	
Subtotal, Soos Creek District		237.6 ac.
Subtotal 1, Molasses Area Assessible		281.0 ac.

2. Madsen Creek Gravity Drainage Basin

a. Remaining area	141.6 ac.	
Less 25% for RW's	(35.4 ac)	
Subtotal 2, Madsen Area Assessible		106.2 ac

Total Gravity Area Assessible **387.2 ac**

C. REQUIRED CHARGE

Balance Required/Area Assessible
= \$1,161,785.65/387.2ac. - \$3,000.48/ac - 6.89¢/sf

IV. CALCULATION OF REQUIRED MONTHLY SERVICE CHARGE

A. OPERATING EXPENSES

Acct	Description	1988	1989	Average
1. Collection and Maintenance				
623.2	Pump Station Power	210.00	17.00	113.50
633.2	Pump Station Maintenance	0.00	0.00	0.00
645.0	Metro, not included	0.00	0.00	0.00
660.0	Superintendent @ 50%	6,000.00	4,725.00	5,362.50
662.2	Sewer Inspection	3,300.00	5,380.00	4,340.00
664.0	Side Sewer Inspection	1,100.00	1,265.00	1,182.50
665.0	Misc. Small expense @ 50%	2,600.00	2,329.00	2,464.50
673.2	Sewer System Maintenance	24,700.00	29,409.00	27,054.50
932.2	Equipment Repair @ 50%	550.00	522.00	536.00
932.3	Truck Fuel & Maint. @ 50%	4,875.00	5,543.00	5,209.00
932.4	Backhoe, Fuel & Maintenance @ 50%	895.00	322.50	608.75
Subtotal 1, Collection & Maintenance		\$44,230.00	\$49,512.50	\$46,871.25
2. Administration and Taxes				
903.0	Billing Charges	8,200.00	11,839.00	10,019.50
920.1	Manager	13,700.00	10,606.00	12,153.00
920.2	Office Labor	47,500.00	45,447.00	46,473.50
920.3	Commissioners Fees	7,550.00	7,550.00	7,550.00
921.1	Office Supplies	5,000.00	9,104.00	7,052.00
921.2	Telephone	3,200.00	4,350.00	3,775.00
921.3	Office Power	2,200.00	2,545.00	2,372.50
923.1	Engineering	25,200.00	10,999.00	18,099.50
923.2	Attorney	18,300.00	20,382.00	19,341.00
923.3	Accountant	8,000.00	10,128.00	9,064.00
924.0	Insurance	40,000.00	34,699.00	37,349.50
925.0	Maint. Agreement, Computers	4,200.00	8,445.00	6,322.50
926.1	Vacation & Sick Leave	23,300.00	51,272.00	37,286.00
926.2	Health & Life Insurance	9,900.00	12,225.00	11,062.50
926.3	Retirement Benefits	15,000.00	31,330.00	23,165.00
928.0	State Auditor	1,160.00	3,127.00	2,143.50
930.1	Seminars	6,400.00	7,064.00	6,732.00
930.2	Investment Service Charge	1,600.00	2,095.00	1,847.50
930.3	Conventions	7,000.00	7,886.00	7,443.00
930.4	Association Dues	3,650.00	5,580.00	4,615.00
932.1	Office Maintenance	3,800.00	5,450.00	4,625.00
932.5	Radio	50.00	0.00	25.00
508.1	Excise and Business Tax	49,000.00	54,556.00	51,778.00
508.2	Payroll Tax	20,000.00	20,735.00	20,367.50
Subtotal 2, Administration & Taxes		\$323,910.00	\$377,414.00	\$350,662.00
Total A, Operating Expenses Charged to Sewer @ 50%				\$175,331.00

B. DEPRECIATION

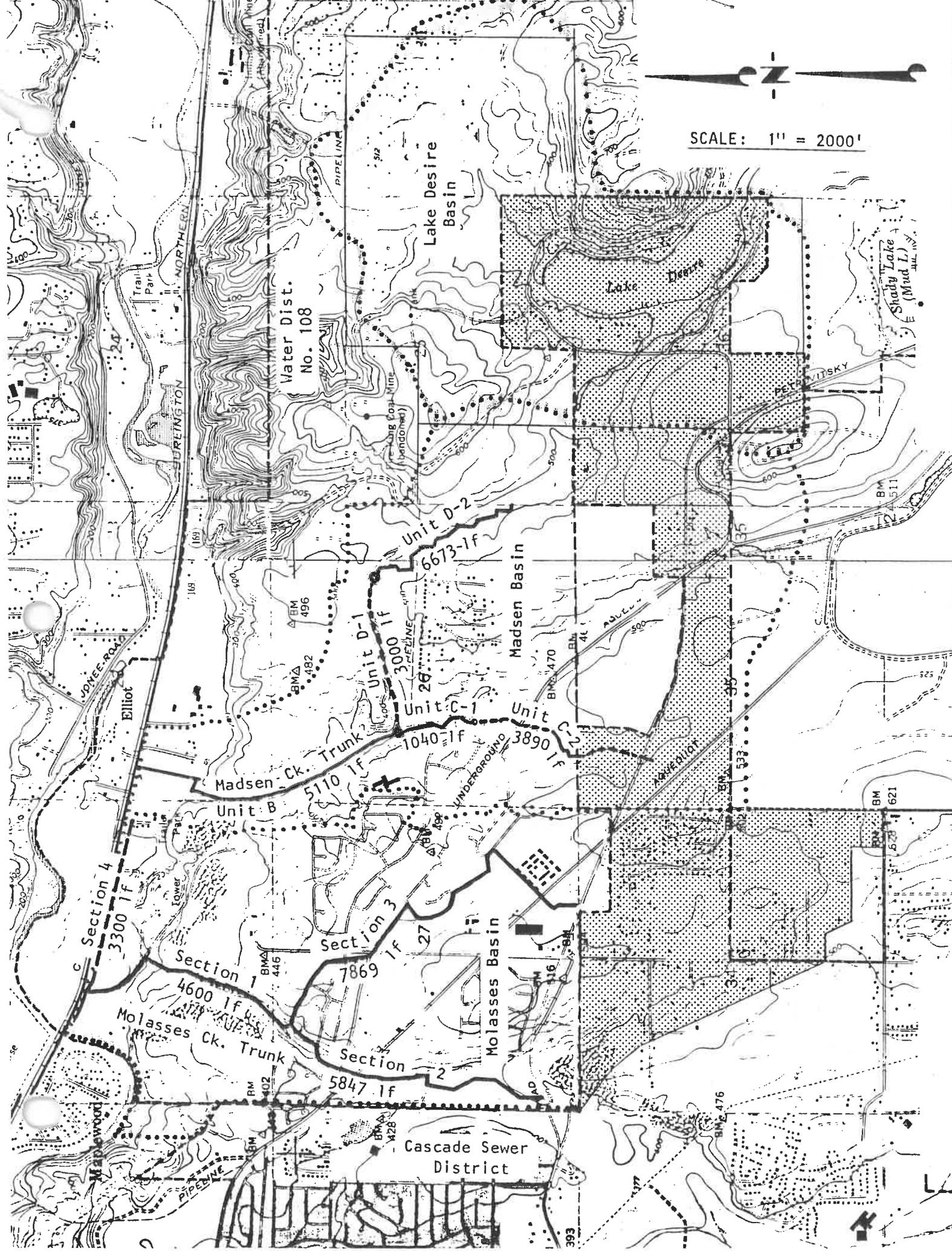
Acct. Description	1989 Value
321.2 Lift Station, Sewage	\$18,345.00
343.2 Collection System, Sewer	\$4,051,193.00
345.2 Services, Sewer	\$150,104.00
390.0 Office Building @ 50%	\$154,818.50
391.0 Office Equipment @ 50%	\$83,782.00
392.1 Trucks @ 50%	\$45,408.50
392.2 Backhoe @ 50%	\$26,226.50
394.0 Ditch Pump, misc. @ 50%	\$40,717.00
397.0 Communications @ 50%	\$8,508.00
Subtotal, Sewerage System Value	\$4,579,103
Total B, Depreciation @ 2%	\$91,582

C. SERVICE CHARGE CALCULATION

Collection and Maintenance Expense	\$46,871.25
Administration and Taxes Expense	\$175,331.00
Depreciation	\$91,582.05
1988-1989, Average Expenses & Depreciation	\$313,784.30
Sewer System Length in thousand feet (tf)	200 tf
Cost/thousand feet (\$/tf)	\$1,569
Number of Customer Equivalents, 12/31/89	3,674
Cost/thousand feet/customer equivalent	\$0.43
Average length of sewer to be used by Soos Creek customers	
Molasses, Section 1 & 2	10,327
Molasses, Section 1 & 3	13,521
Madsen, Unit B & C	10,040
Madsen Unit B, Fwd 20, D2	12,804
Average Length	11,673 11.673 tf

Service Charge per customer equivalent

(\$0.43/tf/cust. equiv.) x 11.673 tf	per year -	\$4.98
	per month -	\$0.42



SCALE: 1" = 2000'

EXHIBIT A

W.D. 108/W.D. 58/CASCADE S.D.
JOINT SEWER SERVICE AGREEMENT

- District Boundaries
- Drainage Basin Boundaries
- Existing Trunk Sewers
- Future Trunk Sewers

Red area is Molasses Creek Basin
Gravity benefitted area(237.6ac.)

Yellow area is Madsen Creek Basin
Gravity benefitted area (222ac.)

Blue area is Lake Desire Basin
Pumped benefitted area