



**LAKE STEVENS
SEWER DISTRICT**
Serving You Since 1957

1106 Vernon Road, Suite A
Lake Stevens, WA 98258
(425) 334-8588 Fax (425) 335-5947
Website: www.lkstevenssewer.org

Mission Statement: Meeting the challenge of protecting the environment and providing quality sewer service to the community.

**AGENDA
COMMISSIONER MEETING
NOVEMBER 9, 2023 at 9:00 AM**

IN PERSON /VIRTUAL MEETING:

Please join our meeting at 1106 Vernon Rd, James B Mitchell Conference Room or join virtually via **Go To Meeting:** (You will be asked to identify yourself for our sign in sheet)

<https://global.gotomeeting.com/join/646704685>

You can dial in using your phone:

United States (Toll Free): [1 877 309 2073](tel:18773092073)

United States: [+1 \(312\) 757-3129](tel:+13127573129)

Access Code: 646-704-685

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. PUBLIC FORUM – Non-action Items** (please limit comments to 3 minutes)
- 4. AGENDA APPROVAL**
- 5. CONSENT ITEMS** (The Commissioners have previously reviewed these in detail):

	AMOUNT	CHECK #'s
A. Minutes: Oct 26 th & Nov 1 st		
B. Lien Placements (49)	NA	
Lien Releases (48)	NA	
Lien Foreclosure Lawsuit (0)	NA	
C. Investments	\$373,500.00	
Withdrawals	\$1,465,247.26	
Transfers	NA	
D. Payroll	\$261,319.92	
E. 40 – Maintenance	\$111,381.69	11425 – 11464
F. 48 – SRF Principle & Interest Payment	\$1,465,247.26	11465
G. 58 – Capital Expenditures	NA	
H. 60 – PWTF Principle & Interest Payment	NA	
I. Housekeeping -	NA	

6. OLD BUSINESS

- A. Approval for Sybis Lift Station Lock Replacement Project, \$64,205.01 –

7. NEW BUSINESS

- A. 228 North Davies Rd DEA -

8. MANAGERS' REPORTS

- A. General Manager
- B. Assistant General Manager

9. CITY REPORT

10. COMMISSIONERS' REPORT

11. EXECUTIVE SESSION

12. CONCLUDE

NOTICE: All proceedings of this meeting are audio recorded, except Executive Sessions

****PLEASE NOTE:** The Lake Stevens Sewer District will accept verbal citizen comments during the regular meetings in-person or virtually. Citizen comments submitted prior to the meeting to management@lkssd.org will be addressed during the public comment period.



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**MINUTES OF
COMMISSIONER MEETING
OCTOBER 26, 2023, at 9:00 AM**

Attendees: Commissioners Andrea Wright, Dan Lorentzen and Kevin Kosche, District Staff: Mariah Low and Johnathan Dix. Legal Counsel: Jack Follis, G&O: Keith Stewart, City Staff: Gene Brazel.

- 1. CALL TO ORDER** – At 9:00 AM Commissioner Kosche called the meeting to order.
- 2. PUBLIC FORUM** – Non-action Items (please limit comments to 3 minutes) Commissioner Kosche asked if there were any public comments or questions submitted. No questions submitted. No one in attendance. There were no public comments.
- 3. AGENDA APPROVAL** – Commissioner Lorentzen moved to approve the agenda with the removal of Old Business - A, which is a duplicate of Old Business - B. Commissioner Wright seconded the Motion. The Motion passed.
- 4. CONSENT ITEMS** (The Commissioners have previously reviewed these in detail) – Commissioner Lorentzen moved to approve Consent Items A through J. Commissioner Wright seconded the Motion. The Motion passed.

	AMOUNT	CHECK #'s
A. Minutes: Oct 12th		
B. Lien Placements (0)	NA	
Lien Releases (0)	NA	
Lien Foreclosure Lawsuit (0)	NA	
C. Investments	\$563,611.54	
Withdrawals	\$1,711,081.02	
Transfers	\$1,677,0408.01	
D. Payroll	NA	
E. 40 – Maintenance	\$32,283.06	EFT 176
	\$120,449.95	11398-11420
F. 48 – SRF Principle & Interest Payment	NA	
G. 58 – Capital Expenditures	\$37,556.02	11421-11424
H. 60 – PWTF Principle & Interest Payment	NA	
I. Housekeeping -	\$35.27	11171 to 11397
J. Job Descriptions (28)	NA	

5. OLD BUSINESS –

- A. Resolution No 1055 Final Acceptance of Sparman Annexation – Johnathan Dix stated that the 45-day comment and review period for BRB ended October 17, 2023. Resolution 1055 will finalize the area known as Sparman Annexation into the District boundary. Legal has reviewed

the resolution and staff recommends approval. Commissioner Lorentzen made a Motion to approve Resolution 1055. Commissioner Wright seconded the Motion. The Motion passed.

6. NEW BUSINESS –

- A. Discussion: Amending billing procedures for newly established accounts (District Code [9.10.060](#)) – Mariah Low shared a flow chart with the commissioners. Over the years customers have made comments about the timing of when monthly sewer charges start with new connections. Currently, monthly sewer charges start when a customer completes a side sewer permit application. The customer has 90 days to complete the side sewer inspection, but the monthly charges start as soon as the permit is paid. Staff suggests that the monthly sewer charges start once the side sewer inspection is complete. This could cause some issues if the developer or property owner doesn't schedule the inspection before occupying the home, which has happened in the past. The result of this would be monthly charges lost until the connection was discovered by the District. Staff would like to rewrite the District Code and would like Commissioner input. Commissioner Wright wanted to make sure that there is a way to keep track of missed inspections if the District Code were to change. Commissioner Kosche suggested keeping the charges the same but then the District reimbursing the customer for months paid before occupancy when they provide the necessary documents.

7. MANAGERS' REPORTS

- A. General Manager – Mariah Low stated that the daily Plant flows are 2.599 MGD. The District is now able to collect all sewer related fees from credit cards. The WA State Auditor's Office informed the District the 2022 audit and the 2023 audit will be performed at the same time. 2022 Audits are being pushed out due to time constraints for the WA State Auditor's Office.
- B. Assistant General Manager – Johnathan Dix stated that the District has received 68.07 GFCs and 134 permits have been issued year to date.

- 8. CITY REPORT** – Gene Brazel stated that the City Harvest Fest will take place on October 31st in downtown Lake Stevens. City Council recently approved the purchase of property on the Southside of the lake for City buildings.

- 9. COMMISSIONERS' REPORT** – Commissioner Lorentzen and Wright both attended the most recent WASWD Section III meeting. They both found it very informative. Commissioner Kosche stated that he is very happy about the improvements made with technology, accepting credit cards for all payments. He also appreciates the City and District staff's working on the early merger of the two entities.

- 10. EXECUTIVE SESSION** – Jack Follis stated the Commission will now recess into Executive Session at 9:20 AM and excused the General Public; it is estimated the executive session will last until 9:45 AM. The purpose of the Executive Session, under RCW 42.30.110(1)(i), is to discuss potential or pending litigations. At the conclusion of the Executive Session, there will not be action taken by the

Board of Commissioners and no announcement will be made. At 9:45 AM, Commissioner Kosche closed the executive session.

- 11. CONCLUDE** – Commissioner Lorentzen made a Motion to adjourn the Board Meeting. Commissioner Wright seconded the Motion. The Motion passed at 9:45 AM.

Signed at a regular open public meeting this 9th day of November 2023

Dan Lorentzen, Commissioner

Andrea Wright, Secretary and Commissioner

Kevin Kosche, President and Commissioner



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**MINUTES
OF SPECIAL MEETING
BOARD OF COMMISSIONERS**

NOVEMBER 1, 2023

Utility Committee

**By Remote Participation via GoToMeeting.com and in person at
1106 Vernon Rd, Lake Stevens, WA 98258**

Attendees: Commissioners Dan Lorentzen, Kevin Kosche, and Andrea Wright; Staff: Mariah Low, Johnathan Dix, and Rosalind Gorc.

Guests from the City of Lake Stevens: Councilmembers Gary Petershagen, Ryan Donoghue, and Mayor Brett Gailey and City Staff: Anya Warrington, Gene Brazel, Russ Wright, Barb Stevens, and Aaron Halverson.

1. **Called to Order** at 4:00PM by Commissioner Kosche. He moved into the meeting agenda item "Utility Committee Meeting".
2. **Utility Committee Meeting** – The Committee discussed mutual projects and planning for the Lake Stevens UGA
3. **Conclude** – Commissioner Lorentzen made a Motion to adjourn the Board Meeting. Commissioner Wright seconded the Motion. The Motion passed at 4:59 PM.

Signed at a regular open public meeting this 9th day of November 2023

Dan Lorentzen, Commissioner

Andrea Wright, Secretary & Commissioner

Kevin Kosche, President, and Commissioner

SYBIS LLC
9925 NE 134th Court, Suite 100
Kirkland, WA 98034



QUOTE NUMBER: LKSSD-02A
DATE: 11/1/2023
Quotation valid until: 12/31/2023

Quotation For:
Melonie Grieser
Lake Stevens Sewer District
1106 Vernon Road, Suite A
Lake Stevens, WA 98258
(425) 339-3582

Provided by:
Jeremy Djajadi
jeremy@sybissolution.com
(425) 753-5923

ITEM	DESCRIPTION	QTY	UNIT PRICE	AMOUNT
CYBERLOCKS				
CL-6P1	CyberLock Cylinder, 6-pin conventional, Schlage	13	\$ 229.00	\$ 2,977.00
CL-M2	CyberLock Cylinder, mortise, 1-1/8", brushed chrome finish	15	\$ 289.00	\$ 4,335.00
CL-R1	CyberLock Cylinder, rim US standard, brushed chrome finish	2	\$ 292.00	\$ 584.00
CL-C6N	CyberLock Cam Lock, 3/4" in dia., 1/4" Tenon, multiple latches	6	\$ 239.00	\$ 1,434.00
PL-03-A	CyberLock Padlock, brass, 5/16" shackle diameter, 3" shackle vertical clearance	86	\$ 375.00	\$ 32,250.00
	<i>Note: Padlock amount per spreadsheet by Melonie 11/01/2023</i>			
CYBERKEYS				
CK-USB	CyberKey, Rechargeable Battery, Replaceable Brass Tip, USB	20	\$ 127.00	\$ 2,540.00
COMMUNICATORS				
CKS-020	USB Station, for PC / Windows machine only	1	\$ 312.00	\$ 312.00
AHG2R-W1	Authorizer Hub, Gen II network device remote CyberKey authorizations, 120v/60Hz	1	\$ 1,069.00	\$ 1,069.00
AKG2R-01	Authorizer Keypoint, Gen II metal numeric keypad LED display 8 characters	1	\$ 739.00	\$ 739.00
SOFTWARE				
CYBERHOST	Subscription-based, web-based CyberAuditWeb Enterprise Software Option Cost: \$3.50 per key, per lock, per month. Price shown annually. ***Auto-renews every year on anniversary date***	136	\$ 42.00	\$ 5,712.00
TRAINING	Software Training, intended for the assigned access control administrator(s)	8	\$ 150.00	\$ 1,200.00
ACCESSORIES				
CK-CAP-010	CyberKey Rubber Tip Cap, pack of 10	2	\$ 95.00	\$ 190.00
BRUSH	Stainless Steel Brush Bristles	20	\$ 15.00	\$ 300.00
CHRGR-USB-CK	USB Charger Wall Plug, 5W, to recharge CyberKeys	20	\$ 15.00	\$ 300.00
CBL-USB-CK	USB Cable, Micro-B, to recharge CyberKeys	20	\$ 10.00	\$ 200.00
LABOR				
INSTALL-DR	Installation Cost for CyberLock Cylinders on Doors (30 doors + contingency)	40	\$ 115.00	\$ 4,600.00

Comments / Special Instructions:

WA-DES MCUA Contract #05416 Vendor #W47293

Cost-per-door: \$506.40

Installation Labor: \$115/hour

SUBTOTAL	\$ 58,742.00
TAX RATE	9.30%
SALES TAX	\$ 5,463.01
OTHER	-
GRAND TOTAL	\$ 64,205.01

Return Address:

Lake Stevens Sewer District
1106 Vernon Road, Suite A
Lake Stevens, WA 98258

Document Title: **228 NORTH DAVIES RD
DEVELOPER EXTENSION AGREEMENT**

Reference Numbers:

Grantors:

LV Holdings, LLC

Grantee:

Lake Stevens Sewer District

Legal Description: A portion of the SE quarter of Section 19,
Township 29N, Range 6 E, W.M., in Snohomish
County, Washington
Full legal on Page 10-11 of attached document.

Property Tax Account Number: 00493300800204
00493300800205
00493300800206

**228 NORTH DAVIES RD
DEVELOPER EXTENSION AGREEMENT**

THIS AGREEMENT is to be effective as of the 6th day of November 2022, by and between LV Holdings, LLC, a Washington limited liability company (collectively, the "Owner") and Lake Stevens Sewer District, a special purpose district of the State of Washington (the "District").

RECITALS

A. The Board of Sewer Commissioners of the District operates a system of sewerage for collection and treatment of sanitary sewage in a portion of the District.

B. The Owner owns certain property legally described in Exhibit "A" attached hereto and by this reference made a part hereof and shown generally on Exhibit "B" attached hereto and by this reference made a part hereof (the "Property"). The Owner desires to have the Property furnished with sewage collection and treatment service by the District.

C. The District has determined it has capacity in the District's system of sewerage for three (3) equivalent residential units in connection with Owner's Property.

D. The Owner is willing to construct a system of sanitary sewer lines at Owner's expense, pursuant to the terms of this Agreement, in order to connect the Property to the District's existing sewer system at a location in the vicinity of SSMH #3403.

E. The construction of an extension to the District's system of sewerage for the collection of sanitary sewage on the Property is consistent with the District's comprehensive plan.

F. As an initial step in providing sewage collection and treatment service to the Property, improvements to the District's system must be constructed and installed.

G. The improvements consist generally of furnishing and constructing eight-inch sanitary sewer lines and all appurtenances necessary to comprise a complete system ready for operation (the "Project").

H. Owner has complied or will comply with all platting and legal requirements of Snohomish County and/or the City of Lake Stevens (or other municipal authority).

TERMS AND CONDITIONS

IN CONSIDERATION of the mutual promises and performances provided herein, the parties hereto for themselves, their assigns and successors in interest, agree as follows:

1. PERMISSION TO CONSTRUCT PROJECT: Subject to the terms and conditions of this Agreement, the District shall permit the Owner to construct and install the Project, at Owner's expense.

2. STANDARDS OF CONSTRUCTION: Construction and installation of the Project shall be strictly in accordance with standards, rules and regulations of the District as now in effect and as the same hereafter may be amended, and the standards of the State Department of Ecology.

3. PREPARATION AND REVIEW OF PLANS AND SPECIFICATIONS: To ensure that the Project is designed to the satisfaction of the District, Gray & Osborne, Inc., the consulting engineers of the District (the "Engineers"), shall review and approve in writing before work on the Project is commenced, the plans, specifications and drawings of the Project, which shall be prepared by a licensed professional engineer of the Owner's choosing. The Owner shall permit the District and the Engineers to inspect the construction and installation of the Project, both visually before any pipe is covered and by pressure or water test upon final completion, before connection is made to the District's sewer system. The District and the Engineers shall have authority to reject any construction and installation not conforming to the approved design of the Project and the requirements of this Agreement. The determination of the District and the Engineers shall be final. To ensure that the Project is designed in accordance with the standards of the State Department of Ecology, the District and the Engineers may require that the plans, specifications and drawings be approved by the Department of Ecology in writing before work on the Project is commenced.

4. ENGINEERING, LEGAL AND ADMINISTRATIVE COSTS: During the period of design, construction and installation of the Project, the District shall submit monthly to the Owner a statement of charges for other services of the Engineers pursuant to this Agreement, which statement shall be equal to the statement submitted by the Engineers to the District pursuant to the applicable fee arrangement for engineering services between the District and the Engineers. The District shall also submit monthly to the Owner during such period and until this Agreement has been fully performed and the Project has been constructed and conveyed to the District, a statement of charges for legal services, which statement shall be equal to the statement submitted to the District, by Anderson Hunter, its attorneys (the "Attorneys"), pursuant to the applicable agreement between the District and the Attorneys, for all work performed by the Attorneys in connection with the preparation, performance or review of this Agreement, including, but not limited to, participation in any pertinent administrative or court proceedings to which the District may become a party.

The statement of charges shall include, and the Owner shall also pay the greater of \$15.00 or an amount equal to 15% of the charges of the Engineers and the Attorneys for the administrative cost to the District of handling such statement of charges, and all other out-of-pocket costs of the District attributable to this Agreement. The Owner shall pay any statement of charges by the last working day of the month in which the charges were billed. Statements not paid in full by the end of the month shall be deemed delinquent and shall accrue interest at the rate of 12% per annum from the date of delinquency.

The Owner has paid to the District a \$5,000.00 deposit, which, except as provided in Section 13, shall be refunded to the Owner without actual accrual and payment of interest after all fees and charges provided for in this Agreement have been paid by the Owner and the Project has been completed and accepted by the District. In the event there are any fees and/or charges which are not paid in full at the completion of the Project, the District reserves the right to deduct the balance due from the deposit and release the remainder, if any.

The District shall have the right to commence, appear in or defend any action or proceeding affecting the rights of the parties hereunder, and in connection therewith shall have the right to pay necessary expenses, including the costs of engineering and legal services, subject to reimbursement by the Owner in the manner provided herein.

5. COMMENCEMENT OF THE PROJECT: In addition to any other requirements of this Agreement, and before construction of the Project is commenced, the Owner shall take the following action or receive the following approvals:

(a) Obtain District approval of its contractor in accordance with the qualification requirements of applicable law and the District's Administrative Code.

(b) Provide evidence acceptable to the District that Owner and Owner's contractor have obtained comprehensive general liability insurance coverage and other insurance coverage deemed appropriate by the District in a form and amount acceptable to the District for the work being performed. The District and District Engineers shall be named as additional named insured party under the policies.

(c) Obtain all applicable permits and approvals from agencies of City of Lake Stevens, Snohomish County, State of Washington, and/or federal authority (or other municipal authority), if required. For projects where the District exercises SEPA authority, the Owner shall pay the costs thereof.

(d) Deliver to the District executed copies of any required easements and/or performance bond obtained for property or improvements located outside the boundaries of the Property. Such easements and performance bond must be in a form acceptable to the District and District Engineers and the easements suitable for County recordation.

(e) A pre-construction meeting is required and shall be scheduled by the District and District Engineers prior to commencing construction of the Project. Submit construction cut sheets no later than 48 hours prior to the pre-construction meeting.

6. COMPLETION OF THE PROJECT: Subject to any applicable federal, state or local requirements, the Owner shall satisfy the following requirements before the Project is connected to the District's sewer system:

(a) Obtain approval and acceptance of the construction and installation of the Project by the District.

(b) Pay for construction and installation of the Project, engineering and legal services, and administrative, out-of-pocket and all other applicable fees and charges, including, but not limited to, connection charges. The District shall have the right to hold the \$5,000.00 deposit and any bonds required by the District until said fees and charges are paid. The District may, at its discretion, hold deposit funds and bonds and apply them as offsets for fees and charges owed.

(c) Satisfy and release all liens and encumbrances for labor, materials and taxes relating to the Project.

(d) Convey to the District without cost to the District exclusive easements and rights-of-way per District standards, as required for all Project sewer lines, with the right of ingress and egress for maintenance, operation, repair and replacement.

(e) Obtain for the District such other easements as are found by the District and District Engineers to be necessary to gain access to the Project.

(f) Convey the Project to the District free of liens and encumbrances by conveyance of donated facilities substantially in the form of the Title Transfer of Donated Facilities provided in the District standards. The Owner's conveyance of the Project sewer lines to the District shall be completed before the Owner sells or contracts to sell the Property or any portion thereof. The Owner shall give the District 30 days notice of a change of ownership prior to the conveyance and provide a certificate of assignment.

(g) Obtain the District's acceptance of title to the Project sewer lines and required easements. Upon request of the District, the Owner shall provide to the District a title report concerning the Project and any easement or right-of-way that will be conveyed to the District.

(h) Provide to the District a warranty bond or bonds, furnished by a surety company acceptable to the District, in the amount of 25% of the estimated cost of the sewer

lines being conveyed, including surface restoration. The release of the bond or bonds shall be conditioned on paying the cost of repairing or correcting any defects in the workmanship or materials furnished in the construction of such sewer lines that shall develop or be discovered within two years after conveyance to the District (as described in Subsection "f" above), together with the District's out-of-pocket expenses, including, but not limited to, engineering and legal expenses, in connection therewith, and shall hold harmless and indemnify the District therefrom.

(i) Deliver to the District in forms acceptable to the District an original mylar, blackline, and electronic copy of "as-built" record drawings for the Project sewer lines, including all side sewer connections. Submit the Sewer System Survey Checklist of the District to the District after it has been completed and certified by a professional land surveyor.

(j) Deliver to the District a copy of the final plat of the Property or equivalent land use approval (i.e. binding site plan) within 30 days after such approval has been granted.

7. **DISTRICT AUTHORITY:** The Owner shall be subject to all standards, rules and regulations of the District, as now in effect and as the same hereafter may be amended, with respect to construction and inspection of sewer lines, connection and inspection of side sewers, obtaining of applicable permits, use of the sewers of the District and rates for use or availability thereof, and all such other matters covered by such standards, rules and regulations. In the event of delinquency in the payment of any charges and assessments imposed by the District, the Owner shall be subject to the lien and foreclosure provisions of the laws of the State of Washington, and the rules, regulations and resolutions of the District pertaining to property served by the District.

8. **INDEMNIFICATION:** The Owner shall indemnify, defend and hold the District, its officers, agents and employees harmless from all suits, claims or liabilities of any nature, including attorney fees, costs and expenses, for or on account of injuries or damages sustained by persons or property resulting from the negligent (sole or concurrent) acts or omissions of the Owner, its agents or employees under this Agreement or in connection with work performed under this Agreement. If suit in respect to the above is filed, the Owner shall appear and defend the suit at its own cost and expense, and if judgment is rendered or settlement made requiring payment of damages by the District, its officers, agents or employees, the Owner shall pay the same.

9. **CONTRACTUAL RELATIONSHIPS:** This Agreement does not constitute the Owner as the agent or legal representative of the District for any purpose whatsoever. The Owner is not granted any express or implied right or authority to assume or create any obligation or responsibility on behalf of or in the name of the District or to bind the District in any manner or thing whatsoever.

10. **ULID FORMATION:** If any utility local improvement district ("ULID") is proposed to pay all or a part of the cost of constructing and acquiring sewers that serve or benefit all or a part of the Property, the Owner and its assigns and successors in interest agree that they will sign any petition to form such ULID and will not protest or object to the formation of such ULID. If the District constructs and acquires additional sewer lines and facilities within or serving the Property, nothing in this Agreement shall prevent the District from levying special assessments against any of the Property for the cost of those sewer lines and facilities and to the extent of the benefit from them. After conveyance to the District of the Project sewer lines, additional property may be permitted to connect to them under such terms and conditions as the District in its sole discretion may determine.

11. **CONNECTION CHARGES:** Before the connection of any Project sewer lines to the District's sewer system, the Owner agrees to pay the District's regular permit fees, together with a connection charge in the amount of \$13,500.00 per new connection (3 connections x \$13,500.00/connection = \$40,500), together with applicable state taxes on that amount. No other property of the Owner in the vicinity of the Property shall be connected to the District's sewer system until a contract providing for the connection has been entered into with the District. Connection fees shall be accepted by the District after acceptance of the warranty bond but prior to issuance of side sewer permits. The District shall only issue side sewer permits after acceptance of the Title Transfer of Donated Facilities unless otherwise provided for in this Agreement or Resolution 565 (Model Home Policy), and in all cases only after acceptance of any warranty bond required by this Agreement.

12. **TIME OF ESSENCE; NOTICES** Time is of the essence of this Agreement. If Owner is in default under any terms or conditions of this Agreement, or if any payment provided for in this Agreement is not timely made by the Owner, this Agreement may be terminated by the District at its option upon 10 days' written notice to the Owner delivered by certified mail. All notices and payments relating to this Agreement shall be made at the following addresses, unless otherwise provided for in writing:

Lake Stevens Sewer District
1106 Vernon Road, Suite A
Lake Stevens, WA 98258

LV Holdings, LLC
PO Box 100
Lake Stevens, WA 98258

13. **TERM OF CONTRACT/DELAY IN COMPLETION:** This Agreement is based, in part, upon a preliminary plat/short plat granted to Owner by Snohomish County or the City of Lake Stevens. The Project shall be substantially completed, as determined by the sole discretion of the District, and the Title Transfer of Donated Facilities filed with the County on or before November 9, 2026. If the Title Transfer of Donated Facilities has not been recorded by the County on or before that date, the Owner's rights under this Agreement shall cease and terminate and no sewer services shall be connected to the Project. If the Owner's rights under this Agreement cease pursuant to this section, the \$5,000.00 deposit paid

by the Owner to the District shall be forfeited to the District. Any reapplication for a Developer's Agreement on this Project thereafter, shall be subject to the resolutions, rules, regulations, fees, charges, and policies of the District in effect at the time of such reapplication, as well as the facts and circumstances then prevailing.

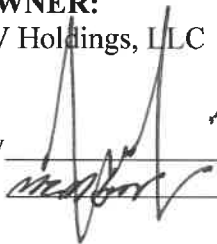
14. APPLICABLE LAW; VENUE: This Agreement shall be construed and interpreted in accordance with the laws of the State of Washington. The venue of any action brought hereunder shall be in the Superior Court for Snohomish County.

15. RECORDATION: This Agreement shall be recorded in the office of the Auditor of the County of Snohomish, Washington, and shall constitute an easement, covenant running with the land, and servitude upon the Property, which the Owner warrants it now owns, and shall be binding upon the parties hereto and their assigns and successors in interest. The cost of such recordation shall be paid by the Owner.

LAKE STEVENS SEWER DISTRICT
A Washington Special Purpose District

By _____
Dan Lorentzen, Commissioner

OWNER:
LV Holdings, LLC

By _____
Its  _____

By _____
Andrea Wright, Secretary and Commissioner

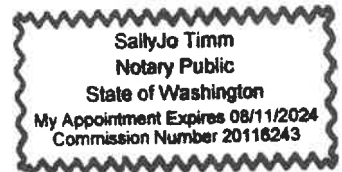
By _____
Kevin Kosche, President, and Commissioner

STATE OF WASHINGTON)
) ss.
COUNTY OF SNOHOMISH)

On this day personally appeared before me James Lussier, to me known to be the Member of LV Holdings, LLC, the limited liability company that executed the within and foregoing instrument, and acknowledged to me the said instrument was the free and voluntary act and deed of said limited liability limited partnership for the uses and purposes therein mentioned, and on oath stated that James Lussier authorized to execute the said instrument for an on its behalf.

SUBSCRIBED AND SWORN TO before me by James Lussier on this 6th day of November, 2023.

PRINTED NAME: Sally Jo Timm
NOTARY PUBLIC
in and for the State of Washington.
My commission expires: 08/11/2024



228 NORTH DAVIES RD

Exhibit A: Legal Description

PARCEL A:

THE WEST 297 FEET, (AS MEASURED ALONG ITS SOUTH LINE), OF LOT 2, BLOCK 8, LAKE STEVENS SUMMER HOME TRACTS, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 7 OF PLATS, PAGE 34, RECORDS OF SNOHOMISH COUNTY, WASHINGTON;

EXCEPT THE NORTH 125 FEET; AND

EXCEPT THE WEST 196 FEET, AS MEASURED ALONG THE SOUTH LINE OF SAID LOT 2. PARCEL A-1:

A NON-EXCLUSIVE EASEMENT FOR INGRESS, EGRESS AND UTILITIES OVER, UNDER AND ACROSS THE SOUTH 30 FEET OF THE NORTH 155 FEET OF SAID LOT 2;

EXCEPT THE WEST 95 FEET, AS MEASURED ALONG THE SOUTH LINE OF SAID LOT 2; AND

EXCEPT THAT PORTION THEREOF CONDEMNED JANUARY 8, 1934, IN SUPERIOR COURT CAUSE NO. 32232 FOR DAVIES ROAD (SURVEY NO. 1528).

(ALSO KNOWN AS LOT B IN SHORT PLAT RECORDED UNDER AUDITOR'S FILE NUMBER 8703260127).

PARCEL B:

THE WEST 196 FEET (AS MEASURED ALONG ITS SOUTH LINE) OF LOT 2, BLOCK 8, LAKE STEVENS SUMMER HOME TRACTS, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 7 OF PLATS, PAGE 34, RECORDS OF SNOHOMISH COUNTY, WASHINGTON;

EXCEPT THE NORTH 125 FEET; AND

EXCEPT THE WEST 95 FEET, AS MEASURED ALONG THE SOUTH LINE OF SAID LOT 2. PARCEL B-1:

A NON-EXCLUSIVE EASEMENT FOR INGRESS, EGRESS AND UTILITIES OVER, UNDER AND ACROSS THE SOUTH 30 FEET OF THE NORTH 155 FEET OF SAID LOT 2;

EXCEPT THE WEST 120 FEET, AS MEASURED ALONG THE SOUTH LINE OF SAID LOT 2 AND

EXCEPT THAT PORTION THEREOF CONDEMNED JANUARY 8, 1934, IN SUPERIOR COURT CAUSE NO. 32232 FOR DAVIES ROAD (SURVEY NO. 1528).

(ALSO KNOWN AS TRACT C OF SHORT PLAT REVISION RECORDED UNDER RECORDING NO. 8703260127, BEING A PORTION OF LOTS C & D OF SHORT PLAT NO. 776-70, RECORDED UNDER AUDITOR'S FILE NUMBER 7710130115).

PARCEL C:

THE WEST 95 FEET AS MEASURED ALONG THE SOUTH LINE OF LOT 2, BLOCK 8, LAKE STEVENS SUMMER HOME TRACTS, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 7 OF PLATS, PAGE 34, RECORDS OF SNOHOMISH COUNTY, WASHINGTON;

EXCEPT THE NORTH 125 FEET THEREOF ALSO THE EAST 25 FEET OF THE WEST 120 FEET OF THE SOUTH 30 FEET OF THE NORTH 155 FEET OF SAID LOT 2.

EXCEPT THE WEST 95 FEET THEREOF.

TOGETHER WITH THE ADJOINING VACATED ROAD RIGHT OF WAY PER COMMISSIONERS RECORDS IN VOLUME 25, PAGE 362, DATED MARCH 13, 1922.

PARCEL C-1:

A NON-EXCLUSIVE EASEMENT FOR INGRESS, EGRESS AND UTILITIES OVER, UNDER AND ACROSS THE SOUTH 30 FEET OF THE NORTH 155 FEET OF SAID LOT 2;

EXCEPT THE WEST 120 FEET, AS MEASURED ALONG THE SOUTH LINE OF SAID LOT 2 AND

EXCEPT THAT PORTION THEREOF CONDEMNED JANUARY 8, 1934, IN SUPERIOR COURT CAUSE NO. 32232 FOR DAVIES ROAD (SURVEY NO. 1528).

(ALSO KNOWN AS TRACT D OF SHORT PLAT REVISION RECORDED UNDER RECORDING NO. 8703260127, BEING A PORTION OF LOTS C & D OF SHORT PLAT NO. 776-70, RECORDED UNDER AUDITOR'S FILE NUMBER 7710130115).

228 NORTH DAVIES RD

Exhibit B: Vicinity Map



228 NORTH DAVIES RD

Exhibit C: Reimbursable Map



228 NORTH DAVIES RD

Exhibit D

Gravity Main Reimbursable

When the parcels located within the Reimbursable Area as shown in Exhibit "C" enter into a developer extension agreement or otherwise contracts with Lake Stevens Sewer District to connect directly (side sewer) to the District system, the development(s) of those parcels will pay a reimbursement fee for each of the parcels. It has been determined that the existing properties defined as the Reimbursable Area as shown in Exhibit "C" will benefit equally with the other properties that will benefit by direct connection to the sewer extension constructed by this project. Accordingly, the reimbursement charge assessed to each of the aforementioned properties shall be based on the total project costs for the gravity main in divided by the total number of properties that will be furnished with a point of direct connection to the extension. Total project cost shall be determined at project completion and shall be based on the sum of the allowed sewer construction cost including applicable state sales tax, plus an additional allowance of 40 percent of the allowed sewer construction cost as compensation for related project costs including engineering, project administration, business taxes, bonding and insurance. The total number of benefited properties/units shall be determined as the total of three connections for this project, plus the 2 reimbursable units described in Exhibit "C" (3 allowed connections plus 2 reimbursable residential units = 5 benefited properties/units).

The reimbursable cost will be calculated as per Equation 1 below:

$$\begin{array}{lcl} \text{Reimbursable cost to developer =} & \frac{100\% \times \text{Total Project Cost}}{2 \text{ benefited properties/units (ERU)}} & (1) \\ \text{(per ERU)} & & \end{array}$$