

LAKE CHELAN RECLAMATION  
DISTRICT MANSON, WASHINGTON

**RESOLUTION 2020-09**

AUTHORIZATION FOR ADOPTION OF LATECOMERS AGREEMENT  
FOR  
REIMBURSEMENT OF DEVELOPMENT COSTS OF EXTENSIONS TO  
WATER SYSTEM  
(CHELAN VIEW ORCHARDS, LLC)

This Resolution 2020-09 is effective the 11th day of August, 2020.

WHEREAS, the Lake Chelan Reclamation District (the "District") is an irrigation district duly organized and maintained under RCW 87.03.010; and,

WHEREAS, under Title 87 RCW and other applicable law, the District has the power to contract with owners of real estate to construct extensions to the District's water system where required as a prerequisite to further property development; and

WHEREAS, the District further has the power to enter into agreements to reimburse said owners for a portion of their costs of constructing water facilities that will benefit neighboring properties (a "Latecomers Agreement"); and

WHEREAS, Chelan View Orchards, LLC (the "Owner") has previously constructed the water facilities consisting of domestic main waterline and appurtenances as shown on the drawings attached as Exhibit "A" to the Latecomers Agreement attached hereto as Appendix "A" (collectively, the "Water Improvements"), at its own cost and expense as a prerequisite to its property development, and as an extension of the District's water system; and

WHEREAS, the construction of the Water Improvements was completed and accepted by the District as operational and ready for use on April 21, 2020; and

WHEREAS, said Owner has conveyed ownership of said Water Improvements to the District, and the District has accepted the Water Improvements as part of the water system of the District; and

WHEREAS, the Owner and the District wish to enter into the Latecomers Agreement attached hereto to reimburse Owner for a portion of the costs of constructing the Water Improvements that will benefit certain neighboring properties and the District desires to adopt and specify connection charges for such neighboring properties upon development and connection to such Water Improvements; and,

WHEREAS, all costs necessary to build the Water Improvements to meet, but not exceed, District standards, plus certain construction costs, the total of which is \$69,600.00, and which is detailed in Exhibit "B" to the Latecomers Agreement attached hereto, together with the contract administration costs set forth herein, have been approved by the District as eligible for compensation hereunder (the "Approved Costs"); and

WHEREAS, the District has determined that the Water Improvements will benefit certain nearby properties within the boundaries legally described in Exhibit "C" and depicted in Exhibit "D" to the Latecomers Agreement attached hereto (the "Reimbursement Area"); and

WHEREAS, when and if property within the Reimbursement Area is connected to the water system extension, as identified herein, over the next fifteen (15) years, the District and the Owner wish to provide for payment by owners of such property of their share of the cost of the Water Improvements; and

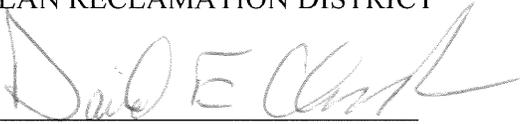
WHEREAS, the District agrees to collect such payments and to transmit them to the Owner or its heirs, successors or assigns

NOW THEREFORE BE IT RESOLVED, that the Latecomers Agreement in the form attached hereto as Appendix A is hereby approved.

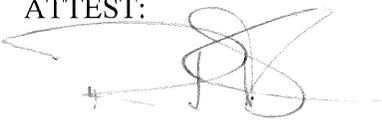
Adopted this 11th day of August, 2020 at the regular meeting of the Board of Directors.

LAKE CHELAN RECLAMATION DISTRICT

BY:

  
President

ATTEST:

  
Secretary - Manager

APPENDIX 'A'  
(LATECOMERS AGREEMENT)

LAKE CHELAN RECLAMATION DISTRICT  
Chelan County, Washington

LATECOMERS AGREEMENT  
FOR  
REIMBURSEMENT OF DEVELOPMENT COSTS OF  
EXTENSIONS TO THE WATER SYSTEM

THIS AGREEMENT is entered into this 11<sup>th</sup> day of August 2020, by and between LAKE CHELAN RECLAMATION DISTRICT, an irrigation district (the "District"), and CHELAN VIEW ORCHARDS, LLC, a Washington limited liability company, ("the Owner"), as follows:

WITNESSETH:

WHEREAS, the District is an irrigation district duly organized and maintained under RCW 87.03.010; and,

WHEREAS, under Title 87 RCW and other applicable law, the District has the power to contract with owners of real estate to construct extensions to the District's water system where required as a prerequisite to further property development; and

WHEREAS, the District further has the power to enter into agreements to reimburse said owners for a portion of their costs of constructing water facilities that will benefit neighboring properties (a "Latecomers Agreement"); and

WHEREAS, the Owner has previously constructed the water facilities consisting of domestic main waterline and appurtenances as shown on the drawings attached as Exhibit "A", incorporated herein by this reference (collectively, the "Water Improvements"), at its own cost and expense as a prerequisite to its property development, and as an extension of the District's water system; and

WHEREAS, the construction of the Water Improvements was completed and accepted by the District as operational and ready for use on April 21, 2020; and

WHEREAS, said Owner has conveyed ownership of said Water Improvements to the District, and the District has accepted the Water Improvements as part of the water system of the District; and

WHEREAS, the Owner and the District wish to enter into this Latecomers Agreement to reimburse Owner for a portion of the costs of constructing the Water Improvements that will benefit certain neighboring properties and the District desires to adopt and specify connection charges for such neighboring properties upon development and connection to such Water Improvements; and,

WHEREAS, all costs necessary to build the Water Improvements to meet, but not exceed, District standards, plus certain construction costs, the total of which is \$69,600.00, and which is detailed in Exhibit "B", attached hereto and incorporated herein by this reference, together with the contract administration costs set forth herein, have been approved by the District as eligible for compensation hereunder (the "Approved Costs"); and

WHEREAS, the District has determined that the Water Improvements will benefit certain nearby properties within the boundaries legally described in Exhibit "C" and depicted in Exhibit "D" attached hereto and incorporated herein by this reference, (the "Reimbursement Area"); and

WHEREAS, when and if any lots within the Reimbursement Area are connected to the water system extension, as identified herein, over the next fifteen (15) years, the District and the Owner wish to provide for payment by the owners of such lots of their share of the cost of the Water Improvements; and

WHEREAS, the District agrees to collect such payments and to transmit them to the Owner or its heirs, successors or assigns.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

Section 1. The District hereby designates certain adjacent real property legally described on Exhibit "C" (the "Reimbursement Area"), as specially benefiting from the Water Improvements constructed by Owner, if and when a water connection to such real property occurs during the period fifteen years from the date of this Agreement. The Reimbursement Area consists of four historically platted lots under a single tax parcel number (each, individually, a "Lot").

Section 2. For a period of fifteen (15) years from the date of this Agreement, no person, firm or corporation shall be granted permission for a water connection for property within the Reimbursement Area, until he, she or it (the "Latecomer") shall pay a latecomer reimbursement charge (the "Latecomer Charge") to the District as part of the District's connection charge, as set forth more fully herein.

Section 3. The Latecomer Charge shall be a pro rata share of the Approved Costs of the Water Improvements, including, but not limited to, design, engineering, installation, and restoration (with the Owner's property being assigned one share and each Lot within the Reimbursement Area to be charged a pro rata share as set forth below); plus interest accrued from the date of completion of the Water Improvements to the date of connection, calculated as of the date of the connection. The rate of interest shall be 4.25% (which is equal to the prime rate plus 1% as of April 21, 2020, which was the date that the Water Improvements were completed and ready for service). The Latecomers' pro rata share shall be Thirteen Thousand Nine Hundred Twenty and No/100 Dollars (\$13,920.00), together with contract administration costs in the amount of Two Thousand Eighty-Eight and No/100 Dollars (\$2,088.00), per connection per Lot within the Reimbursement Area.

Section 4. The District agrees to remit all Latecomer Charges, less the District's contract administration costs set forth above, received hereunder to the Owner, or its heirs, successors, or assigns, within thirty days of the date any such Latecomer Charge is received by the District.

Section 5. The Owner shall give the District written notice of any change of address it may have through the duration of this agreement. The Owner and the District agree that the District is under no obligation to enforce the payment of Latecomers Charges under this Agreement if the Owner fails to notify the District, in writing, of any change in address, or if the Owner agrees that enforcement of the provisions by the District will be unnecessary. The Owner and the District agree that should the District incur any costs and/or fees, including attorney's fees, in its effort to enforce this Agreement against Latecomers, the Owner will be responsible for those costs and fees.

Section 6. Prior to the execution of this Agreement, Owner shall supply the District with reproducible as-built construction drawings of the Water Improvements.

Section 7. Upon the execution of this Agreement by both parties hereto, notice of the terms of this Agreement will be given to all owners of property within the Reimbursement Area.

Section 8. If, within one year from the date of this Agreement, any work in the Water Improvements is found to be defective, the Owner shall promptly, without cost to the District, and in accordance with written instructions issued by the District, either correct such defective work or, if it has been rejected by the District, remove and replace it with non-defective work. If the owner does not promptly comply with the terms of such instructions, the District may have the defective work corrected or the rejected work removed and replaced, and all direct and indirect costs of such removal and replacement, including compensation for professional services, shall be withheld from the latecomer payments to the Owner.

Section 9. Owner agrees that the District will not be liable for any contracts that Owner entered into pertaining to the construction of said Water Improvements and will hold harmless and indemnify the District from any obligation pertaining thereto. Owner shall also provide to the District a verified statement from the contractor who installed the water system that he has been fully paid for his services and has no claim or lien on the property or the system of water.

Section 10. Upon execution by the parties hereto, this Agreement shall be recorded in the Chelan County Auditor's Office.

Section 11. This Agreement shall inure to the benefit of the Owner and its heirs, successors, and assigns.

Section 12. This Agreement shall terminate fifteen (15) years from the date of this Agreement.

Section 13. This Agreement was approved for execution by the District's Manager pursuant to Resolution 20-09 adopted by the Board of Directors of the District at the regular Board meeting on August 11, 2020.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

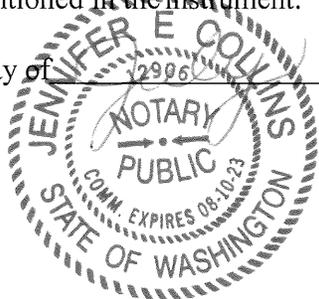
LAKE CHELAN RECLAMATION DISTRICT  
A Washington Irrigation District

By [Signature]  
Rodney L. Anderson, Manager

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF CHELAN )

I CERTIFY that I know or have satisfactory evidence that RODNEY L. ANDERSON is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Secretary-Manager of LAKE CHELAN RECLAMATION DISTRICT, to be the free and voluntary act of such parties for the uses and purposes mentioned in the instrument.

DATED this 15 day of \_\_\_\_\_, 2020.



Jennifer Collins  
Printed Name: JENNIFER COLLINS  
NOTARY PUBLIC, State of Washington  
My Commission Expires 08-10-2023

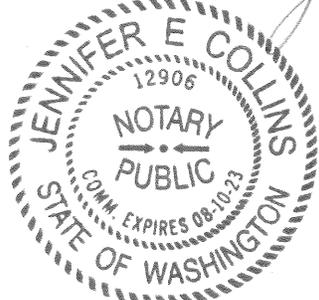
CHELAN VIEW ORCHARDS, LLC  
A Washington Limited Liability Company

By [Signature]  
Tim McLaughlin, Managing Member

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF CHELAN )

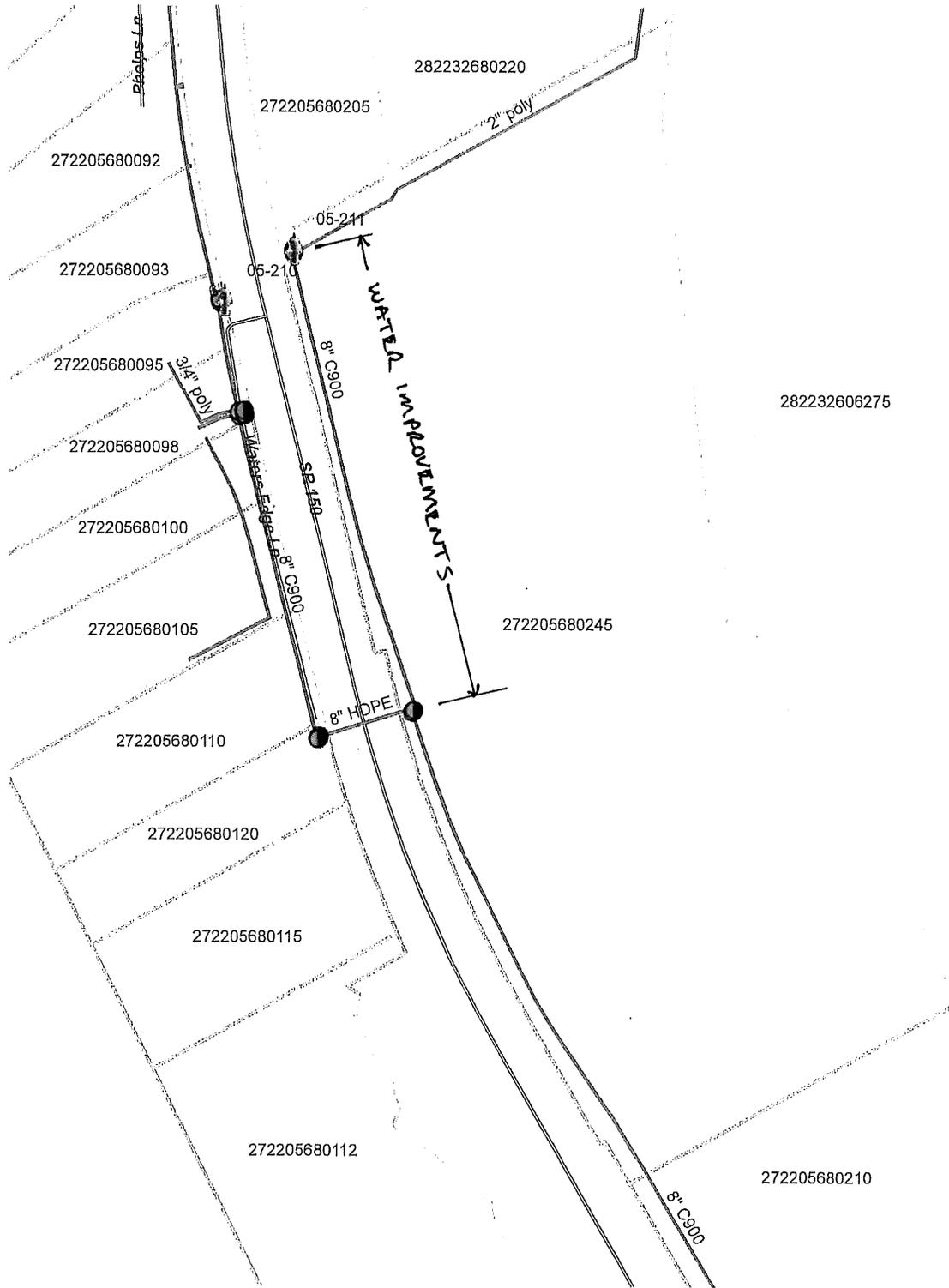
I CERTIFY that I know or have satisfactory evidence that TIM MCLAUGHLIN is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Manager of CHELAN VIEW ORCHARDS, LLC to be the free and voluntary act of such parties for the uses and purposes mentioned in the instrument.

DATED this 16th day of July, 2020.



Jennifer E. Collins  
Printed Name: JENNIFER COLLINS  
NOTARY PUBLIC, State of Washington  
My Commission Expires: 08-10-2023

# Exhibit 'A'



# Exhibit 'B'

## DOMESTIC WATER MAIN EXTENSION

### Certification of Costs

The undersigned is the Developer of PROJECT NAME: CHELAN VIEW ORCHARDS and has entered in to a Developer Extension Agreement (Agreement) with Lake Chelan Reclamation District (District) dated this 21<sup>ST</sup> day of APRIL 2020. Developer has constructed certain water facilities which after connection to the District's water system is to be conveyed to the District by the Developer.

In accordance with the terms of the said Agreement between the undersigned and the District, the undersigned certifies that the costs of construction of the facilities being conveyed to the District pursuant to said Agreement are as follows:

A. Materials	\$ <u>29,050</u> —
B. Labor	\$ <u>15,550</u> —
C. Engineering	\$ <u>10,000</u> —
D. Permits and Fees	\$ <u>15,000</u> —
E. Other Costs:	
a. _____	\$ _____
b. <u>N/A</u>	\$ _____
c. _____	\$ _____

TOTAL COSTS OF FACILITIES: \$ 69,600 —

CERTIFIED to Lake Chelan Reclamation District by: Jennifer Collins  
who is the Deputy Auditor of LAKE CHELAN RCLD on this 21 day of April 2020.

#### DEVELOPER:

CHELAN VIEW ORCHARDS, <sup>MANAGING MEMBER</sup> TIM McCAULLIN  
Printed Name: TIM McCAULLIN  
Phone Number: (509) 421-0449  
Email: TIM@MCAULLINACC.COM

## Exhibit 'C'

### Reimbursement Area

Tracts 67, 68, 69, 70, in Lake Chelan Land Company's Irrigated Lands, Low Line Division No. 1, Chelan County, Washington, according to the recorded plat thereof, together with a strip of land lying between and contiguous to Tracts 67, 68, 69, and 70, in said plat, and the plat of the aforementioned High Line Division No. 1 of the Lake Chelan Land Company's Irrigation Lands, Chelan County, Washington, according to the recorded plat thereof; EXCEPT that portion of said Tract 67, conveyed to the State of Washington for Highway Purposes as fully described in deeds recorded in Book 264, at pages 175 and 309, Chelan County, records.

# Exhibit 'D'

## Reimbursement Area Map

