

**STATE OF WASHINGTON
COUNTY OF JEFFERSON**

In The Matter of the Application by)
Seamount Estates Community Water System)
For a Nonexclusive Franchise) Resolution
To Construct, Maintain, and Operate a) Granting A Nonexclusive
Group A Community Public Water System Consisting of) Franchise
Pipes, Valves, Hydrants, and Other Appurtenances)
Upon, Under, Along, and Across a Franchise Area)
Within Unincorporated Jefferson County)

WHEREAS, Seamount Estates Community Water System (“Grantee”), has applied to the Jefferson Board of County Commissioners (“the Board”), pursuant to Chapter 36.55 and Chapter 80.32 of the Revised Code of Washington (“RCW”), for a nonexclusive franchise to construct, maintain, and operate a Group A Community Public Water System consisting of pipes, valves, hydrants, and other appurtenances, in, upon, under, along, through and across the Franchise Area (as defined below) in unincorporated Jefferson County; and

WHEREAS, Chapter 13.56 of the Jefferson County Code (“JCC”) requires utility providers who occupy Jefferson County (“County”) rights-of-way to obtain a franchise from the County; and

WHEREAS, adoption by the Board of a Resolution granting a nonexclusive franchise to Grantee, setting forth terms and conditions of the franchise, and providing for County administration and regulation of the franchise would memorialize the relationship between Grantee and the County; and

WHEREAS, Chapter 13.56 JCC specifies standards and procedures for granting franchises for utility providers to occupy County rights-of-way; and

WHEREAS, the Board finds that granting a franchise is consistent with the requirements of 13.56.080 JCC in that:

1. Grantee has the financial and technical ability to fulfill its obligations under a franchise granted by the County; and
2. Grantee has legal standing to be granted a franchise; and
3. Grantee currently has Utility Facilities (the “Facilities,” as defined below) that are accommodated within County rights-of-way in the portions of Jefferson County; and

4. County rights-of-way generally have the capacity to accommodate the Facilities, if there is appropriate planning and provision for installation, operation, maintenance, and repair of the Facilities; and

5. Granting the proposed franchise would not significantly damage or disrupt public or private facilities, improvements, services, travel, or landscaping, if there is appropriate planning and provision for installation, operation, maintenance, and repair of the Facilities; and

6. The public interest in minimizing the cost and disruption resulting from the presence of the Facilities in County rights-of-way can be protected; and

7. Granting a franchise will authorize Grantee to continue to provide water service in its Current Water Service Area in Jefferson County; and

8. Granting a franchise will protect the public's health, safety, and welfare; and

9. Granting a franchise is consistent with applicable federal, State, and County laws, ordinances, regulations, rules, and policies, including Chapter 36.55 RCW and Chapter 80.32 RCW and the 13.56 JCC; and

WHEREAS, pursuant to Chapter 36.55 RCW and Chapter 80.32 RCW, a hearing on the application was held on the ____ day of _____, 2018; and

WHEREAS, pursuant to Chapter 36.55 RCW and Chapter 80.32 RCW, notice was posted in three public places in the County seat at least fifteen (15) days before the hearing date and notice was published once a week for two consecutive weeks in the official County newspaper of record, the last publication being not less than five (5) days before the date fixed for the hearing; and

WHEREAS, the Board finds that it is in the public interest to grant the nonexclusive franchise;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD that a nonexclusive franchise is hereby granted to Grantee, to install, construct, repair, replace, maintain, relocate, extend, remove, operate, and use the Facilities in, upon, under, along, through, and across the Franchise Area, under the following express terms and conditions.

1. DEFINITIONS

The terms listed below, as used in this Franchise, shall have the meanings given in this Franchise. When not inconsistent with the text, words used in the present tense include the future tense, words in the plural number include the singular number, words in the singular number include the plural number, and the use of any gender shall be applicable to both genders. The words "shall" and "will" are mandatory, and the word "may" is permissive. Words not otherwise defined shall be given their common and ordinary meaning.

- 1.1. “Aboveground Facilities” means Facilities that are at or above ground and not buried underground.
- 1.2. “Board” means Board of County Commissioners of Jefferson County.
- 1.3. “County” means Jefferson County, a municipal corporation and political subdivision of the State of Washington, represented by its designated employees, representatives, and agents, including, but not limited to the County Administrator, County Engineer, and their designees.
- 1.4. “Emergency” means any condition constituting a clear and present danger to life, safety, or property.
- 1.5. “Engineer” means the County Engineer or designee.
- 1.6. “Facilities” means, collectively, all: (a) components of a water transmission and distribution system, including but not limited to, pipes, valves, and hydrants; and, (b) any and all other equipment, appliances, attachments, appurtenances and other items necessary, convenient, or in any way appertaining to any and all of the foregoing, whether the same be located above ground or underground.
- 1.7. “Franchise” means this Franchise, including all the grant of rights, privileges, and authority embodied in this Resolution.
- 1.8. “Franchise Area” means all rights-of-way for County roads, streets, avenues, alleys, and highways located within those portions of the County listed in Attachment A – Seamount Estates Community Water System Service Area and not within an incorporated city or town, as now or as may hereafter be laid out, platted, dedicated, or improved within the present limits of the County and as such limits may be hereafter extended. The Franchise Area does not include: (a) any other County-owned or leased properties or easements (i.e., County-owned or leased properties or easements unrelated to the roads, streets, avenues, alleys, or highways described above), including, but not limited to, parks, trails, facilities, or pits, located inside or outside of the boundaries of the County; or, (b) Grantee-owned or leased properties or easements located inside or outside of the boundaries of the County.
- 1.9. “Force Majeure Event” means an event beyond the control of a Party, which prevents a Party from complying with any of its obligations under this Franchise and includes but is not limited to fires, explosions, earthquakes, droughts, floods, tsunamis, storms or other natural disasters, civil emergencies declared by the federal, state or local government, and any failure or delay in the performance by the other Party or caused by a Third Party who is not an employee, agent, or contractor of the either Party.
- 1.10. “Grantee” means the Seamount Estates Community Water System.

- 1.11. “Hazardous Substance” means any hazardous, toxic, or dangerous substance, material, waste, pollutant, or contaminant that is identified as such under applicable regulations adopted pursuant to the federal hazardous materials transportation act, the toxic substances control act, the resource recovery and conservation act, the comprehensive environmental response compensation and liability act, the Federal Insecticide, Fungicide, And Rodenticide Act, the Occupational Safety And Health Act, including its hazardous communications standards, the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), the Resource Conservation and Recovery Act (RCRA), the Washington Hazardous Waste Management Act, the Washington Model Toxic Control Act, all as exist now or as amended or superseded, or any other federal, state, or local statute, code or ordinance or lawful rule, regulation, order, decree, or other governmental authority that regulates any hazardous, toxic, or dangerous substance, material, waste, pollutant, or contaminant, as it exists now or is later amended or superseded.
- 1.12. “JCC” means the Jefferson County Code, as it now exists or as it is later amended or superseded.
- 1.13. “MUTCD” means the Manual on Uniform Traffic Control Devices, as adopted by the Washington State Department of Transportation, and published by the United States Department of Transportation, Federal Highway Administration, as it now exists or as later amended or superseded.
- 1.14. “Parties” or collectively the County and Grantee.
- 1.15. “Party” means one of the Parties.
- 1.16. “Person” means an individual, entity, corporation, partnership, firm, association, joint venture, or organization of any kind.
- 1.17. “Public Improvement Project” means any County capital improvement undertaken by the County, including projects listed in the County’s Six-Year Transportation Improvement Program or Annual Construction Program, or the construction, relocation, expansion, repair, maintenance, or removal of any County-owned facility located on, in, over, or under the Franchise Area that is undertaken by the County for parks; roads, or streets; curbs, or sidewalks; pedestrian, bicycle, or other non-motorized transportation facilities; water systems; sanitary sewer systems; bridges, culverts, and storm drainage facilities; and County-owned fiber optic cable, conduit, or network facilities. For the avoidance of doubt, a Public Improvement Project will not include any development or other activity requiring the relocation of the Facilities for the benefit of a Third Party. Any such relocation shall be subject to the rights provided to Grantee in [Section 4.9](#).
- 1.18. “Resolution” means this Resolution.

- 1.19. “RCW” means the Revised Code of Washington, as it exists now or is later amended or superseded.
- 1.20. “Section” means a section of this Franchise.
- 1.21. “Third Party” means any Person other than the County and Grantee.
- 1.22. “Utility Facility” means privately, publicly, or cooperatively owned plant, equipment and property including, but not limited to, the poles, pipes, mains, conduits, ducts, cables, wires, plant and equipment located under, on or above the surface of the ground within rights-of-way and used or to be used for the purpose of providing utility or telecommunications services.
- 1.23. “WAC” means the Washington Administrative Code, as it exists now or is later amended or superseded.

2. FRANCHISE

2.1 Grant of Franchise.

- 2.1.1 Pursuant to the laws of the State of Washington, including, but not limited to, Chapter 36.55 RCW and Chapter 80.32.010 RCW, the County hereby grants to Grantee, subject to and in accordance with the terms and conditions in this Franchise, a nonexclusive franchise, that grants the right, authority and franchise to set, erect, lay, construct, extend, support, attach, connect, maintain, repair, replace, enlarge, operate, and use Facilities in, upon, under, along, through, and across the Franchise Area.
- 2.1.2 The Franchise granted shall not convey to Grantee any title or ownership interest in the Franchise Area but shall be deemed a Franchise only to use and occupy the Franchise Area for the limited purposes and term stated in this Franchise.
- 2.1.3 The Franchise granted shall not authorize, excuse, preclude or prohibit Grantee from securing such further easements, leases, permits, or other approvals as may be required or desired to lawfully occupy and use the Franchise Area.
- 2.1.4 The Parties acknowledge and agree that this Franchise shall not govern, cover, or apply to any Facilities located on Grantee-owned, leased properties or easements (whether inside or outside of County rights-of-way, whether granted by a private or public entity, and whether now existing or hereafter acquired) and that such Facilities are not, and will not be deemed to be, located pursuant to rights derived from this Franchise.
- 2.1.5 The Franchise granted shall not be construed as any warranty of title.

- 2.1.6 No act, event, or occurrence shall give Grantee any rights to occupy or use the Franchise Area permanently nor shall such act, event, or occurrence operate as an estoppel against the County regarding a claim by Grantee of its right to permanently occupy or use the Franchise Area.
- 2.1.7 Grantee specifically agrees to exercise its rights within the Franchise Area in accordance with all applicable federal and State of Washington laws and applicable rules and regulations, as now exist or as later amended or superseded; and all applicable County codes, including, but not limited to, JCC Chapter 13.56 (Utilities), resolutions, and ordinances, as now exist or as later amended or superseded; provided, however, in the event of a conflict or inconsistency between any such provisions and this Franchise, the express terms and conditions of this Franchise will govern; provided, further, nothing in this Franchise shall be deemed to waive, prejudice, or otherwise limit any right of appeal afforded Grantee by such County codes, resolutions and ordinances. The express terms and conditions of this Franchise constitute a valid and enforceable contract between the Parties.
- 2.1.8 Pursuant to Chapter 19.122 RCW Grantee shall participate in the Call-Before-You-Dig utilities locating system by subscribing to a utilities underground location service. Grantee shall provide evidence of subscribing to the Engineer.
- 2.1.9 Prior to using the Franchise Area to provide additional types of utility services not expressly authorized by this Franchise, Grantee shall apply to the County for a franchise to use the Franchise Area to provide those additional services. Grantee shall not use the Franchise Area to provide any such additional utility services until a new franchise has been granted by the County.
- 2.2 Noninterference. All construction, installation, service, repair, or maintenance of the Facilities performed upon, over, under, along, or across the Franchise Area shall be done in such a manner as not to interfere with the free passage of pedestrian, or vehicle traffic in the Franchise Area; the reasonable ingress or egress to the properties abutting the Franchise Area as they exist at the time of installation of the Facilities; the use, maintenance, and repair of existing County facilities and uses within the Franchise Area; or the use, maintenance, and repair of existing utilities, drainage facilities, or other improvements located within the Franchise Area. The Facilities shall have the same preference regarding non-County facilities, including, but not limited to, utilities, drainage facilities, or other improvements that are proposed to be installed in the Franchise Area subsequent in time to the Facilities. Nothing in Section 2.2 is intended to or will affect or modify the rights and obligations of the Parties with respect to the relocation of the Facilities under Section 4. All relocations of the Facilities will be undertaken only subject to and in accordance with the terms, conditions, and requirements set forth in Section 4.

- 2.3 Drawings. Grantee shall provide the Engineer, upon the County's reasonable request, copies of available drawings in Grantee's possession showing the location of the Facilities at specific locations within the Franchise Area. The Grantee does not warrant the accuracy of such drawings and the location of the Facilities shown are approximate.
- 2.4 Verification of Underground Facilities. Upon the County's request, in connection with the design of any County Public Improvement Project within the Franchise Area, Grantee shall verify the location of its underground Facilities within the Franchise Area by excavating, including pot holing, at no expense to the County.
- 2.5 Determining Location of Utility Facilities. With respect to any excavations by or on behalf of Grantee or the County within the Franchise Area, nothing in this Franchise is intended nor shall be construed to relieve either Party of their respective obligations arising under applicable law with respect to determining the location of Utility Facilities.
- 2.6 Term of Franchise.
- 2.6.1 Term of Franchise. This Franchise is granted for a period of twenty-five (25) years from the date of adoption of the Franchise by the Board.
- 2.6.2 Franchise Acceptance. As an express condition of this Franchise, within sixty (60) days after the adoption of this Franchise by the Board, Grantee shall file with the clerk of the Board its written acceptance of the Franchise. At the time of filing its written acceptance, or promptly thereafter, Grantee shall reimburse the County for the administrative expenses required to be paid by Grantee under Section 13 and deliver to the County the required evidence of insurance set out in Section 16. In the event Grantee fails to accept this Franchise in the manner specified above within the said sixty (60) days, this Franchise shall be null and void.
- 2.6.3 Franchise Renewal. This Franchise may be renewed, at the sole discretion of the Board, for an additional twenty-five (25) year period upon the written request of Grantee, such request to be submitted not more than two (2) years nor less than one hundred-eighty (180) days prior to the expiration of the initial twenty-five (25) year term.
- 2.7 Nonexclusive Franchise. The Franchise shall be nonexclusive.
- 2.7.1 The County specifically reserves the right to grant at any time such rights, permits, licenses, or franchises to Persons to use the Franchise Area for similar or different purposes allowed hereunder as the County deems appropriate, so long as the same does not interfere with Grantee's rights under this Franchise.

- 2.7.2 Subject to this Franchise, Grantee shall not prevent or prohibit the County from constructing, altering, maintaining, or using any portion of the Franchise Area or affect its jurisdiction over any part thereof, the County having full power and authority to make all necessary changes, relocations, repairs, or maintenance of the Franchise Area as the County deems appropriate.
- 2.7.3 Grantee acknowledges that it cannot exclude the County from any portion of the Franchise Area where it uses or occupies that portion of the Franchise Area unless the County expressly agrees to such exclusion in writing.
- 2.8 Facilities Installed by Prior Franchise. Existing Facilities installed or maintained by Grantee in accordance with prior franchise agreements on public grounds and places within the County (but which are not within the Franchise Area as defined by this Franchise) may be maintained and operated by Grantee at the location where such Facilities exist as of the effective date of this Franchise for the term of this Franchise; provided, however, that no such Facilities may be enlarged, improved or expanded without the prior review and approval of the County pursuant to the provisions of any applicable County codes, ordinances, regulations, standards, procedures, or permits, as now exist or as later amended or superseded.

3. PERFORMANCE OF WORK

- 3.1. Permit Required.
 - 3.1.1. Work by Grantee within the Franchise Area shall conform to the requirements of the applicable codes, ordinances, and standards, including Chapter 13.56 JCC (Utilities).
 - 3.1.2. Prior to commencing any work within the Franchise Area, Grantee shall apply for and receive a utility permit from the County pursuant to the requirements of Chapter 13.56 JCC.
 - 3.1.3. Work by Grantee shall comply with the utility permit and plans; provided, however, in the event of any conflict or inconsistency between such permit or plans and this Franchise, the express terms and conditions of this Franchise will govern and control.
 - 3.1.4. The County may order removal at Grantee's expense of work that does not comply with the permit or plans. If Grantee shall fail to make a required correction within a reasonable time established by the Engineer, the County may have done any and all work necessary to correct the work and restore the Franchise Area and submit a billing to Grantee for reimbursement. Grantee shall reimburse the County for all reasonable expenses related to such work within thirty (30) days of receiving the billing.

- 3.1.5. Grantee is solely responsible for the performance and completion of work authorized by a utility permit that is issued to Grantee.
- 3.2. Emergency Response and Repairs.
 - 3.2.1. During an emergency or the need for unexpected repair, Grantee may commence such emergency response or repair as required by the circumstances, provided that Grantee shall notify the County in writing before commencing the work or within twenty-four (24) hours, if advance notice is not practicable.
 - 3.2.2. If Grantee conducts emergency response or repairs under this section, Grantee shall make application for a utility permit as soon as practicable, but in no event (unless waived by the County) later than three (3) days from the emergency event.
 - 3.2.3. In the event any of the Facilities within the Franchise Area are in a condition such that, in the reasonable opinion of the Engineer, an Emergency is created, Grantee upon request of the Engineer shall expeditiously and at its own expense repair the Facilities and correct the emergency condition.
 - 3.2.4. If Grantee shall fail to repair the Facilities and correct the emergency condition within a reasonable time established by the Engineer, the County may have done any and all work necessary to repair the Facilities and correct the emergency condition and submit a billing to Grantee for reimbursement. Grantee shall reimburse the County for all reasonable expenses related to such work within thirty (30) days of receiving the billing.
- 3.3. Restoration.
 - 3.3.1. After installation, construction, relocation, maintenance, removal, repair, or replacement of any of the Facilities within the Franchise Area, Grantee at its expense shall expeditiously restore the Franchise Area and any County property within the Franchise Area that may have been disturbed or damaged by such work to at least the same condition as they were in immediately prior to any such work.
 - 3.3.2. The County shall have final approval of the condition of the Franchise Area after restoration pursuant to the provisions of applicable County codes, ordinances, regulations, standards, and procedures as now exist or as later amended or superseded; provided, further, nothing in this Franchise shall be deemed to waive, prejudice, or limit any right of appeal afforded by such codes, ordinances, regulations, standards, or procedures. Grantee or its agent shall contact the County for inspection upon completion of work.

- 3.4. Refuse and Debris.
 - 3.4.1. Grantee shall promptly remove and properly dispose of refuse and debris resulting from any of Grantee's work within the Franchise Area.
 - 3.4.2. Grantee shall remove refuse and debris on a regular basis during the work day to keep all travel ways clear.
 - 3.4.3. Should Grantee's work last for more than one day in a part of the Franchise Area, all refuse and debris shall be removed prior to leaving the site at the end of the work day, to the extent feasible considering the work being undertaken by Grantee.
- 3.5. Financial Security.
 - 3.5.1. The County may require Grantee to post financial security, as determined by the County, to ensure satisfactory completion of construction, including, but not limited to, restoration of the Franchise Area following the completion of Grantee's work in the Franchise Area.
 - 3.5.2. At the County's discretion, Grantee may provide and maintain a single on-going financial security covering multiple permits in lieu of individual surety.
- 3.6. Monuments. All survey monuments that are disturbed, displaced, or destroyed by Grantee in its performance of any work under this Franchise shall be referenced and restored by Grantee, as per Chapter 332-120 WAC, as from time to time amended, and all pertinent federal, state, and local standards and specifications.
- 3.7. Workmanlike Manner. All work performed by Grantee within the Franchise Area shall be done in accordance with adopted County codes, ordinances, regulations, standards, and procedures, together with the laws of the State of Washington, all as now exist or as later amended or superseded in a thorough, professional, and workmanlike manner.
- 3.8. Traffic Control.
 - 3.8.1. Grantee's activities within the Franchise Area and activities within the Franchise Area conducted by Grantee's agents or by Third Parties under a Jefferson County permit issued to Grantee shall conform to the latest edition of the Manual on Uniform Traffic Control Devices, the requirements of JCC 13.56.460 (Traffic Control), and approved traffic control plans.
 - 3.8.2. It shall be the responsibility of Grantee to ensure compliance. Grantee shall be liable for any damages resulting from Grantee's failure to provide adequate traffic control.

4. RELOCATION OF FACILITIES FOR PUBLIC IMPROVEMENT PROJECTS

- 4.1. Grantee at its own expense shall relocate its Facilities existing within the Franchise Area as necessary to accommodate Public Improvement Projects, in accordance with and subject to the terms and conditions set forth in Section 4. The County acknowledges that Grantee's ability to relocate its Facilities within the Franchise Area to accommodate Public Improvement Projects may be constrained due to the need to acquire property rights or long lead time items or to other conditions beyond Grantee's control. In order to reasonably accommodate Grantee's constraints, while recognizing the County's authority to manage the Franchise Area and responsibility to construct Public Improvement Projects within the County's funding and scheduling constraints, the Parties will at all times work cooperatively and in good faith with the goal of ensuring that relocations of the Facilities within the Franchise Area that are required to accommodate Public Improvement Projects are planned, scheduled, and completed promptly and with due regard to the interests and constraints of both Parties.
- 4.2. To assist Grantee in planning for Public Improvement Projects that may require relocation of the Facilities within the Franchise Area, the County shall provide Grantee with written notice and thirty percent (30%) complete plans for Public Improvement Projects that may require relocation of the Facilities within thirty (30) days of their preparation.
- 4.3. Whenever the County undertakes a Public Improvement Project that requires relocation of the Facilities within the Franchise Area, the County shall, within a reasonable time prior to the commencement of the Public Improvement Project and in any event not less than one hundred twenty (120) days prior to the commencement of the Public Improvement Project, provide Grantee written notice of the required relocation and reasonable plans, specifications, and schedule for the Public Improvement Project. Within thirty (30) days of receipt of the notice, plans, specifications, and schedule, and subject to the exercise by Grantee of its rights under Section 4.4 or Section 4.5, Grantee shall provide the County with a proposed schedule to relocate its Facilities within the Franchise Area that will accommodate the County's schedule for the Public Improvement Project.
- 4.4. If Grantee foresees that it may be unable to relocate its Facilities to accommodate the County's schedule for the Public Improvement Project, Grantee shall notify the County as soon as reasonably practicable and request that the County revise its schedule for the Public Improvement Project to accommodate Grantee's constraints. The request shall include a description of the factors that constrain Grantee's ability to relocate its Facilities to accommodate the County's schedule for the Public Improvement Project and a proposed alternative schedule. The

County shall evaluate Grantee's request and proposed alternative schedule in good faith and under the review standard specified below in Section 4.4 and provide a written response to Grantee. The County shall give Grantee's request full and fair consideration with due regard to Grantee's constraints and all other facts and circumstances which bear upon the request and shall not unreasonably withhold its approval of the request.

4.4.1. In the event that the County, under the review standard required above, approves Grantee's request, thereafter and subject to Section 4 the County and Grantee shall work cooperatively to establish a revised schedule for the Public Improvement Project and the relocation of the Facilities and Grantee shall relocate its Facilities within the Franchise Area so as to accommodate the revised schedule for the Public Improvement Project that is established pursuant to Section 4.4.

4.4.2. If the County, under the review standard required above, reasonably and properly denies Grantee's request, thereafter and subject to Section 4 Grantee shall relocate its Facilities within the Franchise Area to accommodate the County's schedule for the Public Improvement Project.

4.5. After receipt of written notice of the required relocation and reasonable plans, specifications, and schedule for the Public Improvement Project under Section 4.3, Grantee may submit a request to the County to perform the relocation concurrently with the Public Improvement Project. Grantee shall submit said request with a proposed schedule for concurrent relocation not more than thirty (30) days after receiving the County's notice of the required relocation under Section 4.3. The County shall evaluate Grantee's request and proposed schedule in good faith and under the review standard specified below in Section 4.5 and provide a written response to Grantee. The County shall give Grantee's request full and fair consideration with due regard to Grantee's interests and all other facts and circumstances which bear upon the request and shall not unreasonably withhold its approval of the request.

4.5.1. In the event the County, under the review standard required above, approves Grantee's request to relocate its Facilities concurrently with the Public Improvement Project, the County and Grantee shall thereafter work cooperatively to establish a schedule for the concurrent relocation of the Facilities and Grantee shall relocate its Facilities within the Franchise Area so as to accommodate said schedule for concurrent relocation that is established pursuant to Section 4.5.

4.5.2. In the event the County, under the review standard required above, reasonably and properly denies Grantee's request that the relocation be performed concurrently with the Public Improvement Project, Grantee

shall relocate its Facilities within the Franchise Area to accommodate the County's schedule for the Public Improvement Project.

- 4.6. Subject to compliance by the County with the terms of Section 4 and to the maximum extent provided by law, Grantee shall reimburse the County for any and all costs, expenses, or damages that are legally required to be paid by the County to its Third Party contractor(s) as a direct result of a delay in meeting the schedule for a Public Improvement Project that has been established under Section 4.3 when Grantee has not exercised its rights under Section 4.4 or Section 4.5 or that has been established pursuant to Section 4.4 or Section 4.5, but only if, as, and to the extent the delay is directly caused by Grantee's breach of its obligations under Section 4 with respect to the relocation of the Facilities within the Franchise Area in accordance with such schedule for the Public Improvement Project; provided the County shall first provide Grantee written notice of any such claim by the Third Party contractor(s) and provide Grantee the opportunity to work with the Third Party contractor(s) to resolve the claim for a period of not less than sixty (60) days prior to payment of the claim. Nothing in Section 4.6 will require Grantee to bear or be responsible for any cost, expense or damage that results from any delay in meeting the applicable schedule for a Public Improvement Project if, as, and to the extent the schedule was established by the County in violation of the provisions for schedule adjustments under Section 4.4 or Section 4.5 or the delay is caused by the County, any Third Party, or a Force Majeure Event under Section 16.4.
- 4.7. If the County requires the subsequent relocation of any Facilities within five (5) years from the date of relocation of such Facilities pursuant to Section 4, the County shall bear the entire cost of such subsequent relocation, except if the relocation is required by an emergency under Section 4.8.
- 4.8. If an emergency arises that immediately endangers the property or life of any individual or poses a threat to public health, safety, or welfare that requires the relocation of the Facilities within the Franchise Area, the County shall give Grantee notice of the emergency as soon as reasonably practicable. Upon receipt of such notice from the County, Grantee shall relocate the affected Facilities as soon as reasonably practicable at Grantee's expense.
- 4.9. Whenever: (a) any public or private development within the Franchise Area, other than a Public Improvement Project, requires the relocation of the Facilities within the Franchise Area to accommodate such development; or, (b) the County requires the relocation of the Facilities within the Franchise Area for the benefit of any Third Party, then in such event, Grantee shall have the right as a condition of such relocation to require such development proponent or Third Party to reimburse Grantee, at a time and upon terms acceptable to Grantee, for any and all costs and expenses incurred by Grantee in the relocation of the Facilities. Any condition or requirement imposed by the County upon any Third Party that

requires the relocation of the Facilities shall be a required relocation for the purposes of Section 4.9, including, without limitation, any condition or requirement imposed pursuant to any contract or in conjunction with approvals or permits for zoning, land use, construction, or development.

5. REMOVAL OF FACILITIES

- 5.1 In the event Grantee permanently ceases use of any of its Aboveground Facilities within the Franchise Area, Grantee shall, within one hundred eighty (180) days after such permanent cessation of use or such additional time as is agreed to between the Parties, remove such Facilities at its sole cost and expense, except as set forth in Section 5.2.
- 5.2 With the express written consent of the Engineer, the Grantee may leave such Aboveground Facilities in place subject to the conditions set forth in Section 5.2. The Engineer's consent shall not relieve the Grantee of the obligation or costs to subsequently remove or alter such Facilities at the County's request, in which case the Grantee shall perform such work at no cost to the County in accordance with Section 5.
- 5.3 The obligations contained in Section 5 shall survive the expiration, revocation, or termination of this Franchise.

6. ABANDONMENT OF WATER PIPE AND SYSTEM FACILITIES

- 6.1 Whenever the Grantee proposes to abandon in place any Grantee property that is located in the right-of-way, the Grantee shall provide the County with: (a) as-built drawings showing the location of the facilities to be abandoned; and, (b) written documentation showing its plans for compliance with all applicable regulations pertaining to abandonment of the property and materials.
- 6.2 In the event of abandonment of any property or materials owned by the Grantee, the County shall have the right to first elect whether to assume ownership of said property or materials or may demand removal at Grantee's expense.
- 6.3 Whenever a conflict cannot be resolved except by removal from the right-of-way of abandoned Grantee property, then the Grantee shall, at the Grantee's expense remove that abandoned property. In removing such material, the Grantee shall conform to all federal, State and local laws, ordinances or regulations applicable to removal of the specific type of property or materials.
- 6.4 Whenever the Grantee proposes to abandon in place any Grantee property containing asbestos cement that is located in the right-of-way, the Grantee shall provide the County with: (a) as-built drawings showing the location of the facilities to be abandoned; and, (b) written documentation showing its plans for compliance with all applicable regulations pertaining to abandonment of asbestos materials.

- 6.5. Whenever a conflict cannot be resolved except by removal from the right-of-way of abandoned Grantee property containing asbestos, then the Grantee shall, at the Grantee's expense remove that abandoned property. In removing such material, the Grantee shall conform to all federal, State and local laws, ordinances or regulations applicable to asbestos abatement.

7. RIGHTS NOT DERIVED FROM THIS FRANCHISE

Nothing in Sections 4 or 5 shall require Grantee to bear any cost or expense in connection with the relocation, modification, or removal of any Facilities existing prior to this Franchise pursuant to easement or such other rights not derived from this Franchise, regardless of whether the easement is on public or private property and regardless of whether this Franchise co-exists with such easement.

8. COORDINATION AND SHARED EXCAVATIONS

- 8.1. Grantee and the County shall each exercise their respective best reasonable efforts to coordinate any construction work that either may undertake within the Franchise Area to promote the orderly and expeditious performance and completion of such work as a whole. Such efforts shall include, at a minimum, reasonable and diligent efforts by each Party to keep the other Party and other utilities within the Franchise Area informed of its intent to undertake such construction work. Grantee and the County shall further exercise reasonable efforts to minimize any delay or hindrance to any construction work undertaken by themselves or other utilities within the Franchise Area. Grantee shall meet with the County annually or more frequently, as reasonably determined by the County, to coordinate construction activities.
- 8.2. If either Grantee or the County shall cause excavations to be made within the Franchise Area, the Party causing such excavation to be made shall afford the other, upon receipt of a written request to do so, an opportunity to use such excavation, provided that: (a) such joint use shall not unreasonably delay the work of the Party causing the excavation to be made; and, (b) such joint use shall be arranged and accomplished on terms and conditions satisfactory to both Parties.

9. HAZARDOUS SUBSTANCES

- 9.1. In the exercise of its rights under this Franchise, Grantee agrees that it will not cause the release of any Hazardous Substance into or upon the Franchise Area contrary to any federal, State or local laws, rules, regulations, ordinances, and standards with respect thereto. Within twenty-four (24) hours of any such release that is discovered by Grantee, Grantee shall notify the Engineer and the Washington Department of Ecology in writing of such release.
- 9.2. To the fullest extent required by applicable federal and State law, Grantee shall be completely liable for any and all consequences of such release to the extent the same is caused by Grantee, including any such liability under any federal or State

law or at common law and shall have full responsibility for complete clean up, as required by any government agency, of any and all contamination from such a release.

- 9.3. To the fullest extent authorized by applicable federal and State law, the County shall be entitled to full reimbursement for all response costs, damages or other expenses incurred by the County as the result of any release of Hazardous Substances by Grantee.

10. GRADING OR EXCAVATING BY COUNTY

- 10.1. This Franchise shall not preclude the County, its agents, employees, or contractors from grading, excavating, or doing other work contiguous to the Facilities.
- 10.2. However, with respect to such grading, excavating, and other work, the County shall use its best efforts to coordinate such work with Grantee to protect the Facilities from harm, damage, or disturbance.

11. VACATION

- 11.1. In the event the County vacates any portion of the Franchise Area, the Board may, at its discretion and as provided for in Chapter 36.87.140 RCW, retain an easement in respect to the vacated land for the construction, maintenance, repair, and replacement of the Facilities that at the time of the vacation are specifically authorized under this Franchise or physically located on a portion of the land being vacated.
- 11.2. The Board may also, at its discretion and by giving forty-five (45) days written notice to Grantee, terminate this Franchise with reference to such portion of the Franchise Area so vacated.
- 11.3. The County shall not be liable for any damages or loss to the Grantee by reason of such vacation.

12. RIGHTS AND POWERS RESERVED TO THE COUNTY

No privileges or rights granted hereunder shall exempt the Grantee from any future uniform rent, license, tax, charge, fee, or import which may hereafter be required by the County for revenue or as reimbursement for use and occupancy of public ways, roads, streets, rights-of-way, or other County property. Failure to timely remit any sums properly due thereby shall cause forfeiture of the privileges and rights hereunder.

13. COUNTY EXPENSES

As and to the extent permitted by applicable law, the County may recover from the Grantee the actual administrative expenses incurred by the County that are directly related to: (a) receiving

and approving a permit, license, or this Franchise; (b) inspecting plans and construction: and, (c) preparing a detailed statement pursuant to Chapter 43.21C RCW. The reimbursable expenses for receiving and approving this Franchise shall include the expenses for County staff time for preparing this Franchise, posting and publication of hearing notices, and filing this Franchise with the Jefferson County Auditor.

14. DAMAGE TO GRANTEE’S FACILITIES

The County shall not be liable for any damage to or loss of any of the Facilities within the Franchise Area as a result of or in connection with any emergency removal or relocation, public works, public improvements, construction, excavation, grading, filling, mowing, or work of any kind in the Franchise Area by or on behalf of the County or any entity under contract with the County, except for damage or loss caused by the negligence or willful misconduct of the County or anyone acting for or on behalf of the County. The foregoing, however, is not intended to, and will not in any way, limit the County’s liability for any breach by the County of this Franchise or any other written agreement between the Parties or otherwise limit any right or remedy to which Grantee is entitled by contract or applicable law.

15. INDEMNIFICATION AND HOLD HARMLESS

- 15.1. In addition to and distinct from the insurance requirements of Section 16, Grantee shall indemnify, defend, and hold harmless the County, its elected and appointed officers, officials, employees, representatives, and agents (collectively referred to as the “Indemnitees”) from any and all Third Party claims, demands, actions, suits, liabilities, losses, expenses, damages, and judgments of any nature whatsoever, including all costs and attorney’s fees, made against the Indemnitees on account of injury or damage to the person or property of another, to the extent such injury or damage is caused by the negligence of Grantee, its agents, representatives, employees, lessees, contractors, or subcontractors in exercising the rights granted to Grantee under this Franchise.
- 15.2. In the event any such claim or demand is presented to or filed with the County that causes the County to choose to invoke its rights under Section 15, the County shall promptly notify Grantee thereof, and Grantee shall have the right, at its election and at its sole cost and expense, to settle and compromise such claim or demand as it pertains to Grantee’s responsibility to indemnify, defend, and hold harmless the Indemnitees. In the event any suit or action is begun against the County based upon any such claim or demand, the County shall likewise promptly notify Grantee thereof, and Grantee shall have the right, at its election and its sole cost and expense, to settle and compromise such suit or action, or defend the same at its sole cost and expense, by attorneys of its own election, as it pertains to Grantee’s responsibility to indemnify, defend, and hold harmless the Indemnitees.
- 15.3. In any and all claims against the Indemnitees by any officer, employee, representative, or agent of the Grantee, its contractors, subcontractors, or lessees, or anyone directly or indirectly employed by any of them or anyone for whose acts

any of them may be liable, the indemnification obligation under Section 15 shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the Grantee, its contractors, subcontractors, or lessees under worker's compensation acts, disability benefit acts, or other employee benefit acts. It is further specifically understood that, solely to the extent required to enforce the indemnification provided in this Franchise, Grantee waives its immunity under Chapter 51 RCW (Industrial Insurance); provided, however, the foregoing waiver shall not in any way preclude Grantee from raising such immunity as a defense against any claim brought directly against Grantee by any of its employees. This waiver has been mutually negotiated by the Parties and is authorized by RCW 4.24.115. Grantee acknowledges that the County would not enter into this Franchise without this waiver.

- 15.4. Inspection or acceptance by the County of any work performed by Grantee shall not be grounds for avoidance by Grantee of any of its obligations under Section 15.
- 15.5. The indemnification and hold harmless obligations shall extend to claims which are not reduced to a suit and any claims which may be compromised prior to the culmination of any litigation or the institution of any litigation.
- 15.6. In the event of liability for damages arising out of bodily injury to Persons or damages to property or business caused by or resulting from the concurrent negligence of Grantee and the County, Grantee's liability hereunder shall apply only to the extent of negligence attributable to the Grantee, its agents, employees, representatives, lessees, contractors, and subcontractors.
- 15.7. The provisions of Section 15 shall survive the expiration or termination of this Franchise. Further, all provisions of Section 15 shall apply to the successors, assigns, and lessees of Grantee.

16. INSURANCE

- 16.1. Grantee Insurance. Grantee shall procure and maintain for the duration of this Franchise the following insurance:
 - 16.1.1. Commercial General Liability insurance and, if necessary, Umbrella Liability insurance, which will cover bodily injury, property damage, and any other exposure which can be reasonably identified as potentially arising from Grantee's activities within the Franchise Area. The limit of liability shall not be less than one million dollars (\$1,000,000) each occurrence and two million dollars (\$2,000,000) aggregate. The County, its elected and appointed officers, officials, employees, agents, and representatives shall be named as additional insureds with respect to activities occurring within the Franchise Area. Coverage shall be comprehensive with respect to the

Grantee's activities within the Franchise Area and shall include completed operations, collapse, explosions, and underground hazards.

- 16.1.2. Business Automobile Liability insurance for owned, non-owned, and hired vehicles with limits of not less than one million dollars (\$1,000,000) per person, one million dollars (\$1,000,000) per occurrence.
- 16.1.3. Workers' Compensation insurance as required by Chapter 51 RCW and Employers Liability Coverage with a limit of not less than one million dollars (\$1,000,000) per occurrence.
- 16.2. The insurance policies required by Section 16 shall be maintained at all times by Grantee. Grantee shall notify the County at least forty-five (45) days before it cancels a policy. Grantee shall be obligated to replace or renew a canceled or expiring policy and show proof in the form of a certificate of insurance at least twenty (20) days before the expiration or cancellation of the existing policy(s).
- 16.3. Grantee shall furnish the County with properly executed certificates of insurance or a signed policy endorsement, which shall clearly evidence all insurance required in Section 16.1. The certificates will, at a minimum, list the limits of liability and coverage.
- 16.4. The insurance limits mandated for any insurance coverage required by this Franchise are not intended to be an indication of limits of exposure nor are they limitations on liability or indemnification.
- 16.5. Self-Insurance. In lieu of the insurance requirements set forth in Section 16.1, Grantee may self-insure against such risks in such amounts, subject to good utility practice. Grantee shall provide the County with reasonable written evidence that the Grantee maintains such self-insurance.
- 16.6. The obligations contained in Section 16 shall survive the expiration, revocation, or termination of this Franchise. Further, all provisions of Section 16 shall apply to the successors, assigns, and lessees of Grantee.

17. LIMITATION OF LIABILITY

The County's administration of this Franchise shall not be construed to create the basis for any liability on the part of the County, its elected and appointed officers, officials, agents, employees, and representatives for any injury or damage from the failure of Grantee to comply with the provisions of this Franchise; for any injury or damage arising from the failure of Grantee to comply with or follow a directive, order, or instruction of any hearing officer or administrative law judge, or a court of competent jurisdiction; by reason of any plan, schedule, or specification, review, inspection, notice and order, permission, or other approval or consent by the County; for any action or inaction thereof authorized or done in connection with the implementation or enforcement of this Franchise by the County; or for the accuracy of plans submitted to the

County.

18. DISPUTE RESOLUTION

- 18.1. The Parties agree to use their best efforts to prevent and resolve disputes before they escalate into claims or legal actions.
- 18.2. Resolving Disputes through Negotiation. The Parties agree to use their best efforts and good faith negotiations to resolve disputes arising out of or related to this Franchise. To that end the parties shall engage in the following dispute resolution process should any such disputes arise:
 - 18.2.1. Level One: The Engineer or his designee shall meet with the Grantee or its designee to discuss and attempt to resolve the dispute in a timely manner. If they cannot resolve the dispute within fifteen (15) business days after the referral of that dispute to Level One, either party may refer the dispute to Level Two as described in Section 18.2.2.
 - 18.2.2. Level Two: The County Administrator or his designee shall meet with Grantee or its designee to discuss and attempt to resolve the dispute in a timely manner.
- 18.3. In the event a dispute is referred to Level Two but is not resolved at Level Two within fifteen (15) business days after that referral, then either Party may invoke the rights provided to them by Section 19 or institute a legal proceeding in the jurisdiction and venue authorized by Section 25.2.
- 18.4. Subject to the limitations in Section 25, no provision of this Franchise shall be deemed to bar the right of either Party to seek or obtain judicial relief from a violation of any provision of this Franchise; nor to bar or otherwise limit the right of either Party to recover monetary damages for such violations by the other Party or to seek and obtain judicial enforcement of the other Party's obligations by means of specific performance, injunctive relief or mandate, or any other remedy at law or in equity.

19. TERMINATION OF FRANCHISE

- 19.1. Default by Grantee. If Grantee materially breaches any term or condition of this Franchise, the County may terminate this Franchise in accordance with Section 19.2. Upon termination of the Franchise, all rights of Grantee hereunder shall cease.
- 19.2. Procedure. The County may terminate this Franchise if Grantee materially breaches any term or condition of this Franchise and fails to cure such breach in all material respects within sixty (60) days after Grantee's receipt of written demand by the County to so comply. Prior to terminating the Franchise, the County shall

give the Grantee at least ten (10) days written notice of a regularly scheduled meeting of the Board at which meeting the Board intends to formally revoke or terminate the Franchise. At such meeting, the Board shall consider a report from the Engineer regarding the Franchise breach and hear any Person desiring to be heard on the Franchise termination. If the Board determines that Grantee's breach justifies revocation or termination of the Franchise, the Board may pass a resolution declaring that the Franchise is revoked or terminated.

- 19.3. Extension of Cure Period. If any breach of this Franchise by Grantee cannot be corrected with due diligence within the sixty (60) day period specified in Section 19.2 due to events beyond Grantee's control, then the County, in its sole discretion, may extend the time within which Grantee may so comply for an additional period or periods not to exceed thirty (30) days so long as Grantee commences promptly and diligently to affect such compliance.
- 19.4. Force Majeure. A Party shall not be deemed in breach or default of any provisions of this Franchise when a Force Majeure Event prevents performance or compliance. Upon removal or termination of the Force Majeure Event, the Party claiming a Force Majeure Event shall promptly perform the affected obligations in an orderly and expedited manner under this Franchise. The Parties shall use all commercially reasonable efforts to eliminate or minimize any delay caused by the Force Majeure Event.
- 19.5. Dispute Resolution. Neither Party may invoke or rely upon the terms and obligations of Section 19 (except for the Force Majeure rights in Section 19.4) until the Dispute Resolution procedure listed in Section 18 has been utilized by the allegedly aggrieved Party.

20. ASSIGNMENT OF FRANCHISE

Grantee may not assign or otherwise transfer its rights, privileges, or authority under this Franchise without the prior written authorization and approval of the County. Any assignment or transfer of any interest in this Franchise shall not be approved by the County or be effective until the assignee or transferee becomes a signatory to this Franchise, assuming all rights and obligations hereunder and agreeing to perform all the terms and conditions under this Franchise. The County hereby authorizes and approves the mortgage by Grantee of its rights, privileges, and authority under this Franchise to the trustee for its bondholders.

21. BINDING ON SUCCESSORS

All provisions, conditions, regulations, and requirements herein contained shall be binding upon the successors and assigns of Grantee and all privileges as well as all obligations and liabilities of Grantee shall inure to its successors and assigns equally as if they were specifically mentioned wherever Grantee is mentioned.

22. INCORPORATION/ANNEXATION

- 22.1. City or Town. If any portion of the Franchise Area covered by this Franchise is incorporated into the limits of any city or town, this Franchise shall terminate as to any such portion within the corporate limits of such city or town and the County shall be released of its obligations under this Franchise as to the portion incorporated. This Franchise shall continue as to all the Franchise Area not incorporated into a city or town.
- 22.2. New County. If, pursuant to Article XI §3 of the State of Washington Constitution, territory is stricken or taken from the County and a new county is established from the territory taken from the County, this Franchise shall terminate as to any portion of the Franchise Area within the territory so taken to establish the new county and the County shall be released of its obligations under this Franchise as to the territory taken. This Franchise shall continue as to all the Franchise Area not taken from the County.

23. NON-WAIVER OF RIGHTS

The County and Grantee agree that the excuse or forgiveness of performance or waiver of any provision(s) of this Franchise does not constitute a waiver of such provision(s) or future performance or prejudice the right of the waiving Party to enforce any of the provisions of this Franchise at a subsequent time.

24. GOVERNING LAW AND VENUE

- 24.1. Governing Law. It is understood and agreed that this Franchise is entered into in the State of Washington. This Franchise shall be governed by and construed in accordance with the laws of the United States, the State of Washington, and the County of Jefferson, as if applied to transactions entered into and to be performed wholly within Jefferson County, Washington between Jefferson County residents. No party shall argue or assert that any state law other than Washington law applies to the governance or construction of this Franchise.
- 24.2. Litigation/Jurisdiction/Venue.
- 24.2.1. Should either party bring any legal action, each party in such action shall bear the cost of its own attorney's fees and court costs.
- 24.2.2. The venue for any legal action shall be solely in the appropriate state court in Jefferson County, Washington, subject to the venue provisions for actions against counties in RCW 36.01.050.

25. PRECEDENCE OF INTERPRETATION

In the event of any ambiguity or inconsistency in this Franchise, unless otherwise provided

herein, the ambiguity or inconsistency shall be resolved by giving precedence in the following order:

- 25.1. Applicable federal, state, and local statutes, regulations, county code, ordinances; and then,
- 25.2. This Franchise.

26. COUNTY ORDINANCES AND REGULATIONS

- 26.1. This franchise shall not prevent the County from adopting and enforcing all necessary and appropriate ordinances or resolutions regulating the performance of the conditions of this franchise, including any valid ordinance made in the exercise of its police powers.
- 26.2. The County retains its authority to control by reasonable regulations the location, elevation, manner of construction, and maintenance of Grantee water delivery facilities in the public rights-of-way, and the Grantee shall conform with all such regulations, unless compliance would cause the Grantee to violate other requirements of law.
- 26.3. In the event of a conflict between the provisions of this franchise and any other ordinance(s) or resolution(s) enacted under the County's police power, such other ordinance(s) or resolutions(s) shall take precedence.

27. NOTICES

- 27.1. Notices. Any notices required or permitted to be given under this Franchise shall be deemed properly served when deposited with the United States Postal Service, postage paid, addressed to the Party to receive same.

- 27.2. Notice to the County shall be sent to:

Jefferson County Public Works Department
623 Sheridan Street
Port Townsend, WA 98368

- 27.3. Notice and billings to Grantee shall be sent to:

Water Operations Manager
Seamount Estates Community Water
P.O. Box 5
Brinnon, WA 98320

27.4. Grantee shall promptly notify the County of any change in the notice or billing addresses.

28. SEVERABILITY AND SURVIVABILITY

28.1. If a court of competent jurisdiction holds any part, term, or provision of this Franchise to be illegal or invalid in whole or in part, the validity of the remaining provisions shall not be affected, and the Parties' rights and obligations shall be construed and enforced as if the Franchise did not contain the provision held to be invalid. The invalidity of any portion of this Franchise shall not abate, reduce, or otherwise affect any consideration or other obligation required of either Party or any grant of right to either Party.

28.2. The terms and conditions contained in this Franchise that by their sense and context are intended to survive the expiration or termination of this Franchise shall so survive.

29. BINDING ON SUCCESSORS AND ASSIGNS

This Franchise is binding upon the successors and assigns of the Grantee and all privileges, as well as all obligations and liabilities of the Grantee shall inure to its successors and assigns.

30. AMENDMENT TO FRANCHISE

This Franchise may be amended by mutual written agreement of the Parties (which specifically states that it is an amendment to this Franchise) upon compliance with the requirements of Chapter 36.55 RCW.

31. FORFEITURE AND REVOCATION

If the Grantee willfully fails to comply with any provision of this franchise, or through willful misconduct, or gross negligence fails to comply with any notice given the Grantee by the County under the provisions of this franchise, then this franchise may be revoked by the County after a hearing held upon notice to the Grantee.

32. REMEDIES TO ENFORCE COMPLIANCE

In addition to any other remedy, the County may obtain a Superior Court Order compelling the Grantee to comply with the provisions of this franchise and seek to recover damages and costs incurred by the County by reason of the Grantee's failure to comply. The pursuit of any right or remedy by the County shall not prevent the County from acting under Section 33.

33. SECTION HEADINGS

The headings of the sections of this Franchise are for convenience of reference only and

are not intended to restrict, affect, or be of any weight in the interpretation or construction of the provisions of such sections.

34. ENTIRE AGREEMENT

The Parties agree that this Franchise is the complete expression of the terms and conditions hereunder and cannot be changed orally, but only by an instrument in writing executed by the Parties. Upon the adoption date of this Franchise and acceptance of the Franchise by Grantee, all prior franchises between the County and Grantee or its predecessors in interest shall be deemed repealed. Any oral or written representations or understandings not incorporated are specifically excluded.

(SIGNATURES FOLLOW ON THE NEXT PAGE)

DRAFT

APPROVED AND ADOPTED this _____ day of _____, 2018.

**JEFFERSON COUNTY
BOARD OF COMMISSIONERS**

David W. Sullivan, Chair

Kathleen Kler, Member

Kate Dean, Member

SEAL

ATTEST:

APPROVED AS TO FORM ONLY:

Carolyn Gallaway
Deputy Clerk of the Board

Philip C. Hunsucker, Date
Chief Civil Deputy Prosecuting Attorney

Monte Reinders, P.E. Date
Public Works Director/County Engineer

**Seamount Estates Community Water System Franchise
Attachment A – Seamount Estates Community Water System Service Area**

The Franchise Area shall include all rights-of-way for County roads, streets, avenues, alleys, and highways located within the following sections:

Sections 29, 30, 31 & 32, Township 25 North, Range 2 West.

DRAFT

JEFFERSON COUNTY, WASHINGTON
ACCEPTANCE OF FRANCHISE RESOLUTION NO. _____

The undersigned hereby wholly accepts Jefferson County Resolution No. _____ adopted by the Jefferson County Board of Commissioners on the ____ day of _____, 2018 which provides that:

Jefferson County, Washington grants the Seamount Estates Community Water System the right, privilege, authority, and franchise to install, construct, repair, replace, maintain, relocate, extend, remove, operate, and use Facilities in, upon, under, along, through, and across the Franchise Area pursuant to the terms of the Franchise Resolution.

This Acceptance of the Franchise Resolution is unconditionally made without reservation and is expressly part of the Franchise which is hereby incorporated by reference. Seamount Estates Community Water System hereby accepts all of the rights and privileges of the Franchise subject to all of the terms, conditions, duties, and obligations provided therein.

IN TESTIMONY WHEREOF Jami Gilbertson, Manager of said Seamount Estates Community Water System has caused this written Acceptance to be executed in her name as its undersigned authorized signer, thereunto duly authorized on the _____ day of _____, 2018.

Seamount Estates Community Water System

By: _____
Jami Gilbertson, Manager

STATE OF WASHINGTON

ss.

COUNTY OF _____

I certify that I know or have satisfactory evidence that Jami Gilbertson is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was duly authorized to execute the instrument on behalf of the Seamount Estates Community Water System, and acknowledged it to be the free and voluntary act of such party for the uses and purposes herein described.

GIVEN under my hand and official seal this _____ day of _____, 2018.

Notary Public in and for the State of Washington residing
at _____.

My commission expires _____, _____.