

After recording return to:

ANDREW C. BRAFF, P.S.
N. 259 Maple
Colville, WA 99114
(509) 684-5212

REIMBURSEMENT AGREEMENT

Grantor(s)/Borrower(s)/Assignor(s):
CITY OF COLVILLE

Grantee(s)/Assignee(s)/Beneficiary(ies):
William L. McCammon and Velda McCammon

Legal Description:
Portion of SE¼ NE¼, Section 5, Township 35 North, Range 39 East, W.M., in Stevens County, Washington; and portion of NE¼ SE¼, Section 5, Township 35 North, Range 39 East, W.M., in Stevens County, Washington, EXCEPT Tax Lot No. 17, and portion of NW¼ SE¼, SW¼ NE¼, NE¼ SE¼, SE¼ NW¼ and NE¼ SW¼, Section 5, Township 35 North, Range 39 East, W.M., and Parcel A of Nelson's Subdivision, all in Stevens County, Washington.

Additional legal description on pages 5, 8, 9, 10 and 11 of document

Assessor's Property Tax Parcel Account Number(s):
2233711, 174322, 880701, 2232800, 174310, 2230900, 174318, 174316, 174314 and 223230

Reference numbers of related documents: na

THIS REIMBURSEMENT AGREEMENT, made and entered into this 7th day of Oct, 1998, between the City of Colville, a Washington municipal corporation ("City"), and William L. McCammon and Velda McCammon, husband and wife ("Owners"), owners of that certain real property legally described on Exhibit "A" hereto ("Property").

RECITALS

A. City is a duly organized municipality under the laws of the State of Washington, and is authorized to furnish water, sewer, and storm water service, and streets, among other things, to property owners within and without the City in the manner provided by law; and

B. Owners have constructed and installed water mains and sewer mains in accordance with Section 13.26.060 of Colville Ordinance #1052 N.S. and described more fully on Exhibit "B" attached hereto (the "Facilities"), to serve the Property. The requirements of the development appear to be within the present and immediate foreseeable capabilities of the sewage treatment plant and/or the water resources and capability of the water department and/or present water and sewer mains as the case may be. All water or sewer facilities are located on property within easements adequate to allow the City to operate, maintain, demolish, reconstruct, improve or expand the water or sewer facilities. The facility has been constructed in accordance with City standards and specifications and has been subjected to City inspection. The cost of constructing the Facilities is set forth on Exhibit "C" hereto.

C. Pursuant to the Agreement, the Owners and the City agree that the City has accepted the Facilities as part of the water and sewer system of the City as of 9/26/95.

D. The City and Owners have determined that owners of real property legally described on Exhibit "D" hereto ("Benefit Area") will benefit from the Facilities if such real property is developed within 15 years from the date this Agreement is executed.

E. Owners seek reimbursement from owners of real property in the Benefit Area for their fair pro rata share of the cost of the Facilities in excess of Owner's fair pro rata share therefor, which reimbursement shares shall be determined as set forth herein and shall be payable when the owners of real property in the Benefit Area seek to connect with the water and sewer of the City;

F. Pursuant to Chapters 35.72 and 35.91 RCW and the City, Owners and the City wish to enter into this Reimbursement Agreement.

NOW, THEREFORE, in consideration of the following terms and conditions, the City and the Owners agree as follows:

1. The Property. Exhibit "A" attached hereto and incorporated herein by this reference contains a legal description of the real property (the "Property") subject to this Reimbursement Agreement. William L. McCammon and Velda McCammon, husband and wife, are the owners of record of the Property.

2. Approval of Costs. Owners have constructed the Facilities at their own cost and expense. The estimated total cost of construction, including design, engineering and restoration, is \$124,177.57, as is more fully set forth on Exhibit "C" attached hereto and incorporated herein by this reference. The City has reviewed and approved the costs as reasonable. Owners paid the \$50.00 application fee in August, 1994. The City waives the additional application fees for development of the Latecomer Agreement as described under 13.26.040(1), Section 4, of Ordinance 1052 N.S.

City agrees to reimburse Owners for approved costs in the manner and on the terms and conditions set forth in this agreement.

3. Method of Reimbursement.

A. Benefit Area. The properties benefiting from construction of any or all of the Facilities are legally described on Exhibit "D" attached hereto and incorporated herein by this reference. For a period of fifteen years from the date this Agreement is executed, no person, firm or corporation shall be granted a building permit or final plat approval (whichever is earlier) or any connection from any existing structure if any property within the Benefit Area, until he, she or it shall pay all applicable reimbursement assessments, as set forth in Section 3.B hereof. Reimbursement Assessment shall be subject to interest at a rate of 6.56% as determined by and set forth more fully within.

B. Reimbursement Assessments, Interest.

1) Amount. Reimbursement assessments for each parcel within the Benefit Area have been established, which are the fair pro rata share of the Approved Costs for the Facilities to which the owner of such parcel seeks connection (the "Reimbursement Assessments"). The assessments for each parcel was determined on a rate per square foot for zones of land lying within one hundred fifty feet on both sides of the roadway and paralleling the existing margin of the roadway. Pro ration of rates were in accordance with RCW 35.44.040. (For the purposes of this

Reimbursement Agreement, any application for a building permit or request for final plat approval or connection to an existing structure shall be deemed to be a request to connect with the Facilities covered by this Reimbursement Agreement.)

Reimbursement Assessments applicable to each parcel within the Benefit Area are set forth on Exhibit "E" attached hereto and incorporated herein by this reference. To each applicable Reimbursement Assessment shall be added interest, accrued from the date this agreement is signed and accepted, as a rate equal to the City's cost of borrowing at the time the Facilities were approved (Reimbursement Assessments, plus interest shall hereinafter be referred to as "Reimbursement Payments"). Interest shall not exceed the total principal due. If the Reimbursement Assessment for a parcel is paid within thirty (30) days from the date of execution of this Agreement, no interest is payable. Otherwise, interest is payable from the date of execution of this Agreement to the date of payment. The Reimbursement Payments shall be in addition to all other City fees and charges in effect at the time such property owners seek a building permit, final plat approval, or a connection to the Facilities. The Reimbursement Payment shall only be payable in one lump sum.

Upon application by affected property owners, the City may further segregate Reimbursement Assessments attributed to property benefited by the Facilities. All costs of such segregation shall be borne by the party requesting such segregation.

2) Payment. City shall first deduct six (6) percent, but not less than \$20.00 from the collected Reimbursement Payment to cover City's administrative costs, and the balance shall be paid to Owners, their successor(s) or assign(s), as set forth in Section 3.D hereof, within 60 days after receipt thereof.

C. Satisfaction. Owners hereby appoint the City Director of Public Works or his designee, as its attorney-in-fact, to prepare execute and file for recording with the Stevens County Auditor a document appropriate to cancel the obligation of the benefited property owners paying the Reimbursement Payment to City, and which will describe with particularity the property paying the Reimbursement Payment, and thereupon this Reimbursement Agreement shall no longer apply to such property. This appointment as attorney-in-fact is irrevocable during the existence of this Reimbursement Agreement.

D. Payment Procedure. To receive payments hereunder, Owners must file a current address with the City Clerk on or before January 1 of each year that this Reimbursement Agreement is in effect, if there has been a change of address during the year by Owners. The City shall remit Reimbursement Payments (less the City's administrative fee) to Owners at such address. If no current address for Owners is on file with the City Clerk, the City shall remit any amounts payable hereunder to the owner of record of the Property as recorded in the Stevens County Auditor's Office as of the date any Reimbursement Payment is received by the City. If there is more than one owner of record of the Property, all such owners of record shall receive shares of any reimbursements paid hereunder proportional to the size of their portion of the Property. As a condition of receiving such reimbursements, Owners or their successor(s) or assign(s) shall execute a receipt to the City for such reimbursement so paid upon a form provided by City. Such form shall include a legal description and the name of the owner of the connecting property making payment to the City.

In the event of dispute as to the rightful party to receive any reimbursements hereunder, City may interplead such funds to the court, and City shall thereupon be relieved of any further obligation or any liability hereunder as to such Reimbursement Payments so received.

4. Effective Date. This Reimbursement Agreement shall remain in full force and effect for a period of up to fifteen (15) years from the date of execution of this Agreement.

5. Recording. This Reimbursement Agreement shall be recorded by the owners at the office of the County Auditor, Washington, immediately upon execution by the City and the Owners. Owners shall pay all of said filing fees and copies of the receipt and the filed document(s) shall be given to the City Clerk and City Treasurer. This Reimbursement Agreement shall be binding upon the present owner of the properties in the Benefit Area which have Reimbursement Assessments set forth on Exhibit "E", and all successors in interest as provided by law.

6. Agreement Implementation. The City will use its best efforts to collect and distribute the Reimbursement Payments pursuant to this Reimbursement Agreement. However, the City, its officials, employees or agents shall not be held liable or responsible for failure to enforce any of the provisions of this Reimbursement Agreement, unless such failure is willful or intentional.

7. General. This Reimbursement Agreement constitutes the entire agreement between the parties. All exhibits referred to herein are by this reference made a part of this Reimbursement Agreement as though set forth in full. This Reimbursement Agreement is binding upon the heirs, executors, administrators, successors or assigns, of each of the parties hereto.

8. Assignment. The Owners shall not assign the whole or any part of this Reimbursement Agreement without the prior written consent of the City.

9. Hold Harmless. McCammon agrees to defend and hold City harmless from any and all costs and/or damages, including reasonable attorney fees, in the event of any litigation regarding the November 22, 1994, Agreement between McCammon and George H. and R. Frances Nichols, or modifications thereof.

CITY OF COLVILLE

By 

Duane Scott, Mayor


WILLIAM L. McCAMMON


VELDA McCAMMON

EXHIBIT "A"

Description of Property

The West 495 feet of the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 5, Township 35 North, Range 39 East, W.M., in Stevens County, Washington.

AND

The West 495 feet of that part of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 5, Township 35 North, Range 39 East, W.M., in Stevens County, Washington, lying North of the Galbraith Change of the Colville-Marcus County Road.

EXCEPT Tax Lot No. 17.

EXHIBIT "B"

Description of Facilities

An 8 inch gravity sanitary sewer line and an 8 inch water line along Buena Vista Road beginning at a point 200 feet South of the center of Section 5, Township 35 North, Range 39 East, Stevens County, Washington, thence northerly and easterly along Buena Vista Road and ending at the East property line of the "Property" described in Exhibit "A."

EXHIBIT "C"

Itemized List of Costs of Constructing Facilities

Simpson Engineering	\$ 4,170.00
Colville Construction	50,497.88
Colville Construction	52,298.75
Maintenance Bond	314.00
Colville Construction	5,610.87
McGrane & Schuerman	858.71
McGrane & Schuerman	363.86
City of Colville	50.00
Colville Construction	9,997.50
Filing Fee	<u>16.00</u>
TOTAL	\$124,177.57

EXHIBIT "D"

Legal Description of Benefit Area

Parcel 1:

Stephen and Vicky Bowman (Stevens County Assessor's Tax Parcel #2233711).

Only that part of the property North of a line that is parallel and 200 feet South of the East-West line through center of Section 5, Township 35 North, Range 39 East, W.M., in Stevens County, Washington, of the following described property:

That part of the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ and the NE $\frac{1}{4}$ of the SW $\frac{1}{4}$, all in Section 5, Township 35 North, Range 39 East, W.M., in Stevens County, Washington, described as follows:

Beginning at the center of said Section 5; thence along the East line of said NE $\frac{1}{4}$ of the SW $\frac{1}{4}$, South 0°56'41" East, 1247.21 feet to the Northerly right of way line of State Highway no. 395; thence along said Northerly right of way line, North 45°30'00" West 1623.10 feet to the Southeasterly corner of Tract "D" as shown on that map recorded in Book "A" of Short Plats at Page 53; thence along the Easterly line thereof, North 21°59'00" East 430.33 feet to an iron pipe at the Northeasterly corner of said Tract "D"; thence along the Northerly boundary thereof, North 59°12'00" West 132.46 feet to an iron pipe at the Southeast corner of Tract "C" of said Short Plat; thence along the Easterly boundary of said Tract "C" North 18°42'52" East 758.85 feet to an iron pipe; thence leaving said Easterly boundary, North 66°43'33" East 134.54 feet to the Southwest corner of Parcel B as shown on that map of Nelson's Subdivision as recorded in Book "D" of Plats on page 81; thence along the Southerly line thereof South 71°17'14" East 300.00 feet to the Southeast corner of said Parcel "B"; thence South 71°15'42" East 30.00 feet to the centerline of that 60 foot wide non-exclusive road and utility easement as shown on that map of Nelson's Subdivision; thence along said centerline, South 18°44'18" West 160.08 feet; thence South 22°49'39" East 377.01 feet to the Northwest corner of Parcel "A" as shown on that map of Nelson's Subdivision; thence along the Westerly boundary of said Parcel "A", South 0°51'10" East 371.39 feet to the Southwest corner thereof; thence along the Southerly boundary of said Parcel "A", South 78°24'26" East 315.00 feet to the East line of the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of said Section 5; thence along said East line, South 0°56'41" East 90.00 feet to the Point of Beginning.

EXCEPT commencing at the intersection of the Northerly right of way line of State Highway No. 395 with the Easterly boundary of Lot T-22 as shown and described on that map of Short Plat No. 95-77 recorded in Book "A" of short plats at page 54; thence, along said Easterly boundary of said short plat, North 21°59'00" East 430.33 feet; thence North 59°12'00" West 132.46 feet; thence North 18°42'52" East 353.00 feet to the point of beginning for this description; thence continuing along said Easterly boundary, North 18°42'52" East 7.63 feet to a point hereinafter referred to as point "A"; thence continuing along said Easterly boundary, North 18°42'52" East 398.22 feet; thence, leaving said short plat boundary, North 66°43'33" East 134.54 feet to the Southwesterly corner of Parcel "B" as shown and described on that map recorded in Book "D" of Plats at page 81; thence along the Southerly boundary of said Parcel "B", South 71°17'14" East 178.23 feet; thence, leaving said Southerly boundary, South 21°23'12" West 543.68 feet; thence North 60°42'22" West 257.25 feet to the point of beginning.

Designated as Lot 1 of Short Plat SP 74-85, recorded November 17, 1989, under Auditor's File No. 8908555.

EXHIBIT "D" continued

Parcel 2:

Falcon Telecable (Stevens County Assessor's Tax Parcel #174322).

The property described as follows:

The North 200 feet of the West 300 feet of the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$, Section 5, Township 35 North, Range 39 East, W.M., in Stevens County, Washington.

Parcel 3:

Terry A. and Pam A. Merrill (Stevens County Assessor's Tax Parcel #880701).

The property described as follows:

Parcel A of Nelson's Subdivision according to Plat recorded in Book D of Plats, page 81, under Auditor's File No. 520360, in Stevens County, Washington.

Parcel 4:

John H. and Bonnie S. Harvey (Stevens County Assessor's Tax Parcel #2232800).

The property described as follows:

That part of the SW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 5, Township 35 North, Range 39 East, W.M., in Stevens County, Washington, described as follows:

Beginning at a point on the West line of the SW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of said Section 5, said point being 405.6 feet North of the center quarter corner of said Section 5, thence North along said West line a distance of 263.0 feet; thence North 89°45' East a distance of 420.5 feet; thence South 5°45' East a distance of 376.0 feet; thence North 76°14' West a distance of 471.3 feet to the Point of Beginning.

Parcel 5:

George H. Nichols, Sr. (Stevens County Assessor's Tax Parcel #174310).

The property described as follows:

The SW $\frac{1}{4}$ of the NE $\frac{1}{4}$, Section 5, Township 35 North, Range 39 East, W.M., EXCEPT beginning at a point on the west line of the SW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of said Section 5, said point being 405.6 feet North of center 1/4 corner Section 5; thence North along said West line a distance of 263.00 feet; thence North 89°45' East a distance of 420.5 feet; thence South 5°45' East a distance of 376.00 feet; thence North 76°14' West a distance of 471.3 feet to the point of beginning, EXCEPT that part lying North of Colville and Marcus Road.

EXHIBIT "D" continued

Parcel 6:

George H. Nichols, Sr. (Stevens County Assessor's Tax Parcel #2230900).

The property described as follows:

The SW $\frac{1}{4}$ of the NE $\frac{1}{4}$, Section 5, Township 35 North, Range 39 East, W.M., EXCEPT beginning at a point on the west line of SW $\frac{1}{4}$ of NE $\frac{1}{4}$, said Section 5, said point being 405.6 feet North of center 1/4 corner section 5; thence North along said West line a distance of 263.00 feet; thence North 89°45' East a distance of 420.5 feet; thence South 5°45' East a distance of 376.00 feet; thence North 76°14' West a distance of 471.3 feet to point of beginning, EXCEPT that part lying South of Colville and Marcus Road.

Parcel 7:

Alfred Huguenin (Stevens County Assessor's Tax Parcel #174318).

The property described as follows:

The North 825 feet of the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 5, Township 35 North, Range 39 East, W.M., in Stevens County, Washington. EXCEPT the East 300 feet and the West 458 feet thereof.

The West 108 feet of the South 350 feet of the East 300 feet of the North 825 feet of the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ in Section 5, Township 35 North, Range 39 East, W.M., in Stevens County, Washington.

Parcel 8:

B. V. Holdings, LLC (Stevens County Assessor's Tax Parcel #174316).

The property described as follows:

That part of the North 825.00 feet of the SE $\frac{1}{4}$ of Section 5, Township 35 North, Range 39 East, W.M., Stevens County, Washington, described as follows:

Commencing at the East quarter corner of said Section 5; thence, along the North line of the SE $\frac{1}{4}$ of said Section 5, South 89°48'02" West 1320.08 feet to the intersection with the northerly projection of an existing north/south fence line and the Point of Beginning for this description; thence, leaving said North line and along said fence line projection and existing fence line, South 0°26'59" East 449.84 feet; thence, continuing along said existing fence line, South 0°22'25" East 375.17 feet to the South line of the North 825.00 feet of the SE $\frac{1}{4}$ of said Section 5; thence, leaving said fence line and along the South line of the North 825.00 feet of said SE $\frac{1}{4}$, South 89°48'02" West 191.77 feet to the intersection with the southerly projection of an existing north/south fence line; thence, leaving said South line of the North 825.00 feet of said SE $\frac{1}{4}$ and along said fence line projection and existing fence line, North 0°19'23" West 356.83 feet to a 5/8" rebar with 1 $\frac{1}{2}$ " aluminum cap at an existing fence corner; thence, along an existing fence line, South 85°19'24" West 107.09 feet to a 5/8" rebar with 1 $\frac{1}{2}$ " aluminum cap at an existing fence corner; thence, along an existing fence line and its northerly projection thereof, North 0°51'41" West 459.85 feet to the North line of the SE $\frac{1}{4}$ of said Section 5; thence, along said North line, North 89°48'02" East 301.87 feet to the Point of Beginning.

EXHIBIT "D" continued

Parcel 9:

William L. and Velda McCammon (Stevens County Assessor's Tax Parcel #174314).

The property described as follows:

The West 495 feet of the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 5, Township 35 North, Range 39 East, W.M., in Stevens County, Washington.

AND

The West 495 feet of that part of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 5, Township 35 North, Range 39 East, W.M., in Stevens County, Washington, lying North of the Galbraith Change of the Colville-Marcus County Road. EXCEPT Tax Lot No. 17.

Parcel 10:

Gerald E. and Faye A. McAviney (Stevens County Assessor's Tax Parcel #223230)

Only the West 495 feet of the following described property:

A tract of land in the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 5, Township 35 North, Range 39 East, W.M., in the County of Stevens, State of Washington, described as follows:

Beginning at the Northeast corner of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of said Section 5; thence South 380 feet; thence West 30 feet; thence South along the West side of the County Road 136.4 feet; thence West to the West line of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of said Section 5; thence North a distance of 516.4 feet to the Northwest corner of the said NE $\frac{1}{4}$ of SE $\frac{1}{4}$; thence East along the North line of said NE $\frac{1}{4}$ of SE $\frac{1}{4}$ to the point of beginning.

EXCEPTING therefrom a tract of land described as follows: Beginning at the intersection of the North boundary of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of said Section 5 and the West side of the Precht Private Road; thence South 21° East 372.1 feet to a point which is 340 feet South and 30 feet West of the quarter section corner between Sections 4 and 5, said Township and Range; and on the North side of the Galbraith Change in the Colville and Marcus Road; thence following the North side of said road, North 55°32' West 190 feet; thence North 74° West 780 feet; thence South 83°42' West 362 feet; thence North 50 feet to the Northwest corner; thence North 89°40' East 1135.76 feet to the point of beginning, including in said tract all that portion of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of said Section 5 lying North of the Galbraith Change of the Colville and Marcus Road, and West of the Precht Private Road.

ALSO EXCEPT the North 340 feet of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of said Section 5, lying Easterly of the Precht Private Road AND said tract as changed in the Boundary Line Adjustment and Quit Claim grant recorded September 24, 1997, Auditor's File No. 9708886.

EXHIBIT "E"

Reimbursement Assessments

The reimbursement assessments set below are calculated based on an assessment rate per square foot as established by Chapter 35.44.030 RCW and Chapter 35.44.040 RCW except the outer limits of the fifth zone was set at one hundred fifty feet.

Parcel numbers below are in reference to parcel numbers in Exhibit "D".

Parcel No. 1:	\$7,517.71
Parcel No. 2:	\$4,799.46
Parcel No. 3:	\$6,627.36
Parcel No. 4:	\$9,186.66
Parcel No. 5:	\$0.00 (per agreement dated November 22, 1994, McCammon/Nichols)
Parcel No. 6:	\$0.00 for one residential water hookup and one residential sewer hookup. The second residential, or any commercial connection, shall be reimbursed at the amount of \$29,113.43 (per agreement dated November 22, 1994, McCammon/Nichols)
Parcel No. 7:	\$5,941.90
Parcel No. 8:	\$0.00 (waived because of interest holdings of McCammon in B. V. Holdings, LLC)
Parcel No. 9:	\$0.00 (owner of the property for this agreement)
Parcel No. 10:	\$10,465.68

There shall be added interest to the above reimbursement assessments at the rate of 6.56% from the date of execution of this Agreement to date of payment. Interest is calculated on the basis of a 365 day per year and is not compounded.