

APPENDIX J

SAMPLE SATELLITE SYSTEM MANAGEMENT AGREEMENTS
AND PRELIMINARY SURVEY CHECKLIST

Included in this Appendix are:

- Satellite System Management Agreement
- Transfer of Ownership Agreement
- Preliminary Survey Checklist

SATELLITE SYSTEM MANAGEMENT AGREEMENT

CONTRACT NO. _____

This is an Agreement between _____, hereinafter called the Utility, and _____ Address _____ City _____ State _____ Zip _____, hereinafter called the Contractor. This Agreement is for the provision of Contract/Support Services as prescribed in paragraph I below.

I

UTILITY SERVICES

- A. Scope of Services - The services to be provided are described below or on Attachment 1 (describe services, work methods, location or work, and times of performance in appropriate order).
B. Compensation - All services shall be performed by the Utility on either a Lump Sum or Negotiated Fee basis as described below or on Attachment 2, List of Charges for Services.

II

AGREEMENT AND PARTIES

The parties hereto agree that Clauses I to _____, as attached, shall apply as the terms of this Agreement and by reference are incorporated herein. The parties agree that all changes or modifications hereto shall be in writing. This Agreement is in lieu of all others expressed or implied.

Utility _____

Date _____

Contractor _____

Date _____

III

RECORD OF CHANGE/MODIFICATION

Letter Date Topic Signatory Accepted by Utility

(Copies of all letters or modifications must be signed by the Utility and attached hereto and a copy returned to the Contractor.)

IV

STANDARD CLAUSES

IV[A]

Situs: The parties hereto agree that the situs of this Agreement and the law governing its interpretation is the State of Washington and the laws of that State.

IV[B]

Professional, Paraprofessional, and Secretarial Fees: The fees for service provided the Utility shall be based on the salary schedules as set forth by the Utility and in effect on the date of this Agreement, and by reference are incorporated herein. All sums billed to client under this clause shall be payable in full 30 days following receipt of billing.

IV[C]

Travel Expenses: Travel expenses associated with tasks covered under this contract will be billed on the basis of _____¢ per mile.

IV[D]

Past Due Billings: The applicant agrees that any sums billed, not disputed in written form setting forth specific exceptions and unpaid after 30 days from the billing date, shall bear interest at _____% for the first 30 days past due, and _____% annually thereafter until collected in full together with legal fees, court costs, and administrative charges as necessary to effect collection.

V

LIABILITY AND CANCELLATION RIGHTS

The liability of the Utility is limited to its applicable insurance coverage. In any event, the Contractor shall provide the Utility, by entering into this contract, all necessary authorization for access, egress, billing rights, contracting rights, and hold harmless clauses from injury or damage associated with Utility action in conducting the defined Scope of Services.

Either party hereto may cancel this Agreement by rendering written notice duly posted to the Utility, or to the Contractor at the address noted hereon. However, the duration of Contract Services are required to extend for 1 year renewable periods unless previously agreed to. Notice of termination must be received 60 days prior to the desired termination date.

VI

ATTACHMENTS INCLUDED BY REFERENCE IN THIS CONTRACT

TRANSFER OF OWNERSHIP AGREEMENT

CONTRACT NO. _____,

This is an Agreement between _____,
hereinafter called the Utility, and _____
Address _____
City _____ State _____ Zip _____,
hereinafter called the Applicant. This Agreement is for the transfer of ownership of the
_____ water system to the
Utility.

I

TRANSFER OF OWNERSHIP

The terms of this contract are herewith binding on the owner(s) and all customers of the _____ water system. Effective as of the date of this contract, the ownership and operation responsibility for the _____ water system is transferred at no cost to the Utility. All existing and future customers will be required to abide by the General Terms, Conditions, and Policies of the Utility. In addition, the documents identified below and appended in this contract are binding and in force for this transfer:

1. Property Title
2. Easements
3. Utility Franchises (examples)
4. Transfer of Water Rights
5. Bill of Sale

II

OUTSTANDING LIENS OR LITIGATION

The seller warrants that there are no liens or taxes or other purposes outstanding at the time of this purchase against the property of the said system or lawsuits pending against the said system.

III

USER CHARGES

The seller warrants that there have been no promises of any beneficial rates to any customer presently or in the future which may be served by this system.

IV

AGREEMENT AND PARTIES

The parties hereto agree that Clauses I to _____ as attached shall apply as the terms of this contract and by reference are incorporated herein. The parties agree that all changes or modifications hereto shall be in writing. This contract is in lieu of all others expressed or implied.

Utility

Date

Contractor

Date

PRELIMINARY SURVEY CHECKLIST

Section VI of the Regional Supplement describes a Utility Service Review Procedure (USRP) and prequalification of Satellite System Management Agencies (SSMA). When either a proposed new water service or an existing water utility is identified for Satellite System Management, the applicant must request a determination of and service requirements by the SSMA.

When the SSMA is to assume ownership of a system, it will require a new system to be constructed, and existing systems to be upgraded, to meet minimum standards.

After a formal request is made for service, the SSMA will make a preliminary survey of items in the following checklist which shall be used to estimate costs of improvement, operation, and maintenance. The applicant will review the survey to verify accuracy. The applicant may also choose to authorize, either by contract or with the SSMA, an engineering feasibility study. If the applicant approves the feasibility study or checklist findings, and authorizes the SSMA to proceed, the identified improvements may be made and the SSMA may assume operational responsibility according to the SSMA agreement.

**SATELLITE SYSTEM
PRELIMINARY SURVEY CHECKLIST**

SYSTEM NAME: _____

CONTACT: _____ PHONE: _____

SSMA NAME: _____

CONTACT: _____ PHONE: _____

CHECKLIST PRIOR TO CONSTRUCTION

A. Preliminary

- | | | | |
|-------|----|--|-----------|
| _____ | 1. | Application Form completed and fee paid | Applicant |
| _____ | 2. | Application approved and plans ordered | SSMA |
| _____ | 3. | Paid first installment of extension fee \$ _____ | Developer |

B. Required Before Plans are Started

- | | | | |
|-------|----|---|-----------|
| _____ | 1. | Final plat filed with County | Applicant |
| _____ | 2. | Road plan and profile filed with engineer | Applicant |

C. Required Before Extension is Staked in Field

- | | | | |
|-------|-----|--|-----------|
| _____ | 1. | Plans and specifications | Engineer |
| _____ | 2. | Department of Social and Health Services or County for approval of plans | Engineer |
| _____ | 3. | Application for State and/or County permits | Applicant |
| _____ | 4. | Approval of contractor | SSMA |
| _____ | 5. | Performance Bond | Applicant |
| _____ | 6. | Certificate of insurance | Applicant |
| _____ | 7. | Easements | Applicant |
| _____ | 8. | County and State permits | Applicant |
| _____ | 9. | Property boundary stakes in place | Applicant |
| _____ | 10. | Estimated inspection fees paid \$ _____ | Applicant |

D. Required Before Construction Begins

- | | | | |
|-------|----|---|-----------|
| _____ | 1. | Final installment of extension fee paid \$ _____ | Applicant |
| _____ | 2. | Notice to engineer to stake | SSMA |
| _____ | 3. | Construction stakes in place | Engineer |
| _____ | 4. | 48-hour notice of construction start | SSMA |
| _____ | 5. | Start card notice (72 hour) for well construction | SSMA |

E. Required Before any Service Connected

- | | | | |
|-------|----|--|-----------|
| _____ | 1. | Approval of construction | SSMA |
| _____ | 2. | Easement paid | Applicant |
| _____ | 3. | Bill of Sale | Applicant |
| _____ | 4. | All extra charges paid | Applicant |
| _____ | 5. | Acceptance of work | SSMA |
| _____ | 6. | Additional inspection fees paid \$ _____ | Applicant |

F. To be Done 1 Year After Acceptance

- | | | | |
|-------|----|--|------|
| _____ | 1. | Final inspection just prior to end of year | SSMA |
| _____ | 2. | Release of performance bond | SSMA |

G. Miscellaneous

- | | | | |
|-------|----|--|----------|
| _____ | 1. | Bill of sale recorded | Attorney |
| _____ | 2. | Easements recorded | Attorney |
| _____ | 3. | As-built drawings furnished | Engineer |
| _____ | 4. | Letter of availability of water for plat | SSMA |
| _____ | 5. | Excess fees refunded \$ _____ | SSMA |

H. Assigned Design Engineer - _____