

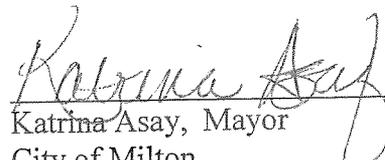
APPENDIX E
INTERTIE AGREEMENTS

**AGREEMENT FOR
WHOLESALE SUPPLY OF WATER**

This Agreement for the wholesale supply of water is effective on July 27, 2009, between Mt. View-Edgewood Water Company (MTVE), a nonprofit mutual water company, and the City of Milton, a municipal water utility.

1. **Water Quantity.** MTVE agrees to provide to the City of Milton approximately 500 gallons per minute of water of MTVE's available, unused capacity. This water will be available through use of the existing water intertie between MTVE and the City of Milton. Additional water quantity may be available as conditions permit, and may be approved by verbal agreement between MTVE and the City of Milton.
2. **Water Rights.** The volume of water purchased from MTVE will count towards MTVE's annual water right quantity.
3. **Standby Fee.** Milton will pay the standard meter standby fee per the MTVE Fee Schedule in effect. As of the date of this contract, the monthly standby fee for a 6" service is \$213.74. As long as Milton continues to pay the standby fee, Milton will be permitted to receive 500 gallons per minute.
4. **Wholesale Consumption Rate.** The current wholesale consumption rate to be charged to the City of Milton is \$0.75 per ccf (unit). This rate will be adjusted by the CPI and/or MTVE rate increases as changes occur.
5. **Operation.** The operation of the intertie for the purpose of this agreement will be handled by staff of the City of Milton, with verbal notice given to MTVE prior to opening and closing of the intertie. The consumption charged to the City of Milton will be determined based on the meter that is currently in operation at the water intertie.
6. **Additional Fees.** Although none are anticipated, any fees charged to MTVE by DOH as a result of this agreement will be the responsibility of the City of Milton.
7. **Terms.** MTVE will issue a monthly invoice to the City of Milton for the standby fee and consumption recorded.
8. **Period.** This agreement can be terminated by either party at any time.


Marc Marcantonio, General Manager
Mt. View-Edgewood Water Co.
Date: 2/2/10


Katrina Asay, Mayor
City of Milton
Date: 2/1/10

April 9, 2010

Mr. John Ryding, P.E.
Regional Engineer
Washington State Department of Health
Drinking Water Program
20435 72nd Avenue South, Suite 200
Kent, Washington 98032

**SUBJECT: MOUNTAIN VIEW-EDGEWOOD WATER COMPANY INTERTIE
PROJECT REPORT/WATER SYSTEM PLAN AMENDMENT
CITY OF MILTON, KING/PIERCE COUNTY, WASHINGTON
G&O #10457.00**

Dear Mr. Ryding:

The City of Milton and the Mountain View-Edgewood Water Company are requesting the approval of Intertie 56820 as a seasonal intertie. This letter describes the project intent and provides water quality and hydraulic analyses. Enclosed with this letter are copies of the existing intertie agreement, Water Right Self-Assessments for both utilities, and a service area map for the City showing the location of the intertie.

BACKGROUND

The City and the Water Company entered into an Emergency Intertie Water Supply Agreement on April 6, 2006. The 2006 Agreement allowed for the City of receive up to 400 gpm of emergency source water from the Water Company. The intertie is manually operated, so service must be agreed upon by both the City and Water Company prior to beginning operation.

The intertie is located in the southeast portion of the City's retail service area within the City of Edgewood as shown on Figure 1.

During the 2-week period of July 28 to August 11, 2009, the City used the intertie to help meet peak demands, purchasing a total of 9.3 MG from the Water Company. The City needed to supplement their well production with supply from the Water Company because the City's Corridor Wells were not operating during this time due to elevated levels of iron and manganese which triggered numerous customer complaints. The Department of Health authorized the temporary use of the intertie for this period of time.

Mr. John Ryding, P.E.
April 9, 2010
Page 2

Supply from the Water Company also helped relieve demands at the 15th Avenue Booster Station, which provides supply to the City's 434 and 520 Zones. The two zones account for approximately 75 percent of annual consumption, and the 15th Avenue Booster Station is not currently able to handle peak flows during the summer.

In February 2010, the City and Water Company established an Agreement for Wholesale Supply of Water. This Agreement allows the City to receive up to 500 gpm of supply through the intertie. This agreement is enclosed with this letter. The 2010 Agreement does not have an expiration date; rather, it can be terminated at any time by either party. Both parties would like the intertie to be permanently classified as seasonal.

The intertie is currently approved as an emergency source between the two utilities. The City and Water Company have entered into agreement for its use as a seasonal source and require Department of Health approval for such use. The City's Corridor Wells are still offline and the 15th Avenue Booster Station has not been upgraded yet. As a result, the City will need an additional source during the summer of 2010 and beyond. The Department of Health requires that the intertie be approved as a seasonal source in order for it to be operable this summer. The following sections and enclosed documents support this request.

WATER RIGHT ANALYSIS

The City of Milton holds water rights for a maximum instantaneous withdrawal of 5,420 gpm and a maximum annual withdrawal of 3,203 acre-feet per year. Water Right Self-Assessment (WRSA) forms for the City are enclosed. Instantaneous production from the City's wells is limited by aquifer capacity in most cases. With these limitations, the City can withdraw approximately 2,020 gpm. Without the use of the Corridor Wells, this drops to 1,320 gpm or 1,900,800 gallons per day. The City's demand exceeded this amount in 2009 during the 2 weeks that it was receiving supply from the Water Company. The use of the intertie supplemented the City's sources in providing the needed flow.

The City plans to install new iron and manganese treatment at the Corridor Wells within the next year, as included in the Capital Improvement Program in the City's 2010 Water System Plan. The City applied for DWSRF funding for this project in 2010. With the use of the Corridor Wells, the City's instantaneous pumping capacity will return to 2,020 gpm, or 2,908,800 gallons per day, which will be adequate through 2015. The City is planning to begin development of an additional source by 2015 to address long-term source capacity issues. Seasonal use of the intertie will be necessary for the City to meet future peak demands until the Corridor Wells treatment project is complete and the wells can be brought back online.

The Water Company holds rights for a maximum instantaneous withdrawal of 4,792.5 gpm and a maximum annual withdrawal of 1,776 acre-feet per year. Water Right Self-Assessment forms for the Water Company are enclosed for the years 2010, 2016, and 2026. The Water Company’s current Water System Plan (WSP) includes projections through 2026. A WSP update will occur for both utilities prior to 2026 and projections will be updated at that time.

As shown in the Water Company’s 20-year WRSA, the projected maximum day demand for 2026 is 2,183.3 gpm, or 3.14 mgd. With instantaneous withdrawal rights of 4,792.5 gpm, the Water Company has a surplus of 2,654.2 gpm. The 500 gpm allowed to the City through the intertie would reduce the surplus to 2,154.2 gpm. The Water Company has adequate water rights through 2026 to supply the City with up to 500 gpm and continue to meet its own needs.

HYDRAULIC ANALYSIS

The City and the Water Company’s water systems have been analyzed using MWHSoft’s H₂OMap hydraulic modeling software. The systems have been evaluated to determine the hydraulic affects of the intertie.

The Water Company’s system has been modeled under maximum day (MDD) and peak hour (PHD) demands for the years 2016 and 2026, which are the 10- and 20-year projections in the Water Company’s WSP. Table 1 summarizes system pressures with the intertie both open and closed.

TABLE 1

Water Company Hydraulic Modeling Results

Scenario	Intertie Pressure (psi) ⁽¹⁾	System Pressures with Intertie Closed (psi)			System Pressures with Intertie Open (psi) ⁽²⁾		
		Avg.	Max.	Min.	Avg.	Max.	Min.
2016 MDD	73	79	169	20	77	169	20
2016 PHD	79	87	171	21	82	171	21
2026 MDD	69	77	168	19	73	167	18
2026 PHD	51	68	167	21	59	159	15

- (1) Pressure at intertie when open and providing 500 gpm to the City.
- (2) Intertie demand is 500 gpm when open.

As shown in Table 1, the effects of supplying 500 gpm through the intertie are minor for the 2016 scenarios and 2026 MDD. In these scenarios, average system pressures

dropped by 2 to 5 psi, and maximum and minimum pressures varied by 0 to 1 psi when the intertie was active. Pressures dropped more significantly under 2026 peak hour demands when the intertie was open.

The Water Company’s model was last updated in 2005 as part of their most recent WSP. Since then additional pipe and pressure zone projects have occurred. These upgrades improve service to the northwest part of the system where the intertie is located. Due to the time-sensitive nature of this request, these improvements have not been included in the model. It is assumed that the existing model is a conservative representation of the system and that if the intertie does not negatively affect the modeled system (2005 system), it will not negatively affect the system with the recent improvements (2010 system).

In their next WSP update, the Water Company will determine if and what capital projects are necessary to maintain adequate levels of service throughout the system in the future with the intertie in use.

The City’s water system has been modeled under maximum day and peak hour demands for the years 2015 and 2029, which are the 6- and 20-year projections in their 2010 Draft WSP. Table 2 summarizes system pressures with the intertie both open and closed.

TABLE 2

City Hydraulic Modeling Results

Scenario	Intertie Pressure (psi) ⁽¹⁾	System Pressures with Intertie Closed (psi)			System Pressures with Intertie Open (psi) ⁽²⁾		
		Avg.	Max.	Min.	Avg.	Max.	Min.
2016 MDD	66	80	130	39	80	130	39
2016 PHD	65	81	133	42	82	133	43
2026 MDD	66	74	128	32	75	129	32
2026 PHD	65	79	130	41	80	131	42

(1) Pressure at intertie when open and receiving 500 gpm from the Water Company.

(2) Intertie supply is 500 gpm when open.

As shown in Table 2, there is a slight positive effect on system pressures during all scenarios when the intertie is active. The intertie supplies the City’s 520 Zone, which is a closed zone, and thus there is little affect on pressures elsewhere in the system.

The City’s 15th Avenue Booster Station is currently unable to meet maximum day demands with all pumps operating when the intertie is not in use. The City is planning to upgrade this facility in 2011 by installing a high-flow pump to address this issue. Until

then, the intertie can relieve demand on the pump station. Table 3 summarizes the existing pump station capacity and reliability with and without the intertie.

TABLE 3

City's 15th Avenue Booster Station Analysis

	Existing Pump Station without Intertie Capacity			Existing Pump Station with Intertie Capacity		
	2009	2015	2029	2009	2015	2029
Average Day Demand (ADD) (gpm)	476	558	745	476	558	745
MDD (gpm)	1,049	1,228	1,640	1,049	1,228	1,640
Pumping Capacity (gpm)	800	800	800	800	800	800
Pumping Capacity with Largest Routinely Used Pump Out of Service (gpm)	400	400	400	400	400	400
Well and Intertie Capacity in Zones (gpm)	120	120	120	620	620	620
Capacity in Zones with Routinely Largest Pump Out of Service (gpm)	520	520	520	1,020	1,020	1,020
Total Zones Capacity (gpm)	920	920	920	1,420	1,420	1,420
Meet ADD with Largest Routinely Used Pump Out of Service	Yes	No	No	Yes	Yes	Yes
Meet MDD with All Pumps	No	No	No	Yes	Yes	No

Use of the intertie will prolong the need to upgrade the 15th Avenue Booster Station, although as stated above, the City still plans to upgrade it in 2011. Until that project is complete, however, the additional capacity provided by the intertie is needed.

WATER QUALITY ANALYSIS

The Water Company does not chlorinate their water. The City chlorinates all source water except that from Well No. 5. The City is required to maintain a CT of 6 at the point of entry to the distribution system at Well No. 3, and has a CT of 6 at the Corridor Wells, though CT is not specifically required at that site. The City also maintains a system-wide chlorine residual, although it has no system residual requirement. As a result, the blending of unchlorinated water from the Water Company with the City's chlorinated water does not pose water quality concerns from a regulatory standpoint.

Mr. John Ryding, P.E.
April 9, 2010
Page 6

For prolonged use of the intertie, the City may see some operational issues with the blended water. The Department of Health indicated during the meeting with the City on March 22, 2010, Water Company, and Gray & Osborne, that chlorination at the intertie will not be required but may be recommended if the intertie is to be used regularly in the future.

SUMMARY

The City has an urgent need for the use of approved seasonal use of this intertie. The City's Corridor Wells are inoperable due to water quality issues, and the 15th Avenue Booster Station cannot currently provide maximum day demands to the upper pressure zones. Use of the intertie is necessary during peak times to maintain required levels of service throughout the City's system. The Water Company holds enough water right capacity and has adequate system capacity to provide 500 gpm to the City via the intertie through 2016. In their next WSP update, the Water Company will revisit water right and system capacity analyses and projections to determine if continuing to serve the City is feasible.

Please contact me at your convenience at (206) 284-0860 if you have any questions.

Very truly yours,

GRAY & OSBORNE, INC.

Russell Porter, P.E.

RLP/hhj
Encl.

cc: Ms. Letticia Neal, P.E., Public Works Director, City of Milton
Mr. Glen Baker, Street/Storm/Water Utility Supervisor, City of Milton
Mr. Marc Marcantonio, General Manager, Mountain View-Edgewood Water Company
Mr. Mike Craig, Field Manager, Mountain View-Edgewood Water Company
Ms. Jennifer Kropak, Regional Planner, Washington State Department of Health
Ms. Katherine Brooks, Senior Planner, Pierce County



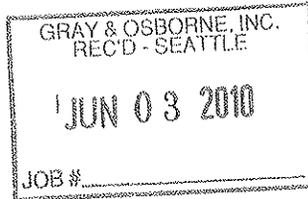
STATE OF WASHINGTON

DEPARTMENT OF HEALTH

20435 72nd Ave. S., Suite 200, K17-12* Kent, Washington 98032 -2358

June 2, 2010

GLEN BAKER
MILTON, CITY OF
1000 LAUREL ST
MILTON WA 98354



Subject: Milton, City of, ID# 54950
Pierce County
Intertie with Mountain View-Edgewood
Submittal # 10-0406

Dear Mr. Baker:

The intertie project report for the above project received in this office on April 9, 2010 has been reviewed and in accordance with the provisions of WAC 246-290 is **APPROVED**. The approval issued herein is based on conformance with current standards outlined in WAC 246-290, effective January 4, 2010. Future changes in the rules may be more stringent and require facility modification or corrective action.

The intertie with Mountain View-Edgewood (DOH ID # 56820) is classified as Source S09 for your water system and will be classified as a seasonal intertie. The approved intertie capacity is 500 gpm.

This project has been reviewed as a Group A water system project submittal in accordance with WAC 246-290.

This water system will remain approved to serve an unspecified number of equivalent residential units (ERUs).

Regulations establishing a schedule of fees for review of planning, engineering and construction documents have been adopted August 3, 2007 (WAC 246-290-990). An invoice for \$306 is enclosed. Please remit your complete payment in the form of a check or money order within thirty days of the date of this letter to: **DOH, Revenue Section, PO Box 1099, Olympia WA 99507-1099.**

Sincerely,

John Ryding, PE
WSDOH Regional Engineer

cc: Tacoma-Pierce County Health Department
Russ Porter, PE; Gray & Osborne -- Seattle
Amy Nielson, DOE SWRO
Katherine Brooks, Pierce County
Aniela Sidorska, DOH
Jennifer Kropack, DOH
Steve Hulsman, DOH



CITY OF MILTON/MT. VIEW-EDGEWOOD WATER COMPANY
EMERGENCY INTERTIE WATER SUPPLY AGREEMENT

THIS AGREEMENT made and entered into by and between the CITY OF MILTON, a municipality located within King and Pierce County, State of Washington, hereinafter referred to as "City", and MT. VIEW-EDGEWOOD WATER COMPANY, a private corporation located in Pierce County, State of Washington, hereinafter referred to as "Water Company", (collectively the "Parties") is dated this 6th day of April, 2006.

WITNESSETH:

IT IS MUTUALLY AGREED AS FOLLOWS:

WHEREAS, The City and the Water Company operate water systems that can be interconnected so as to be mutually beneficial to both and to the public.

WHEREAS, the City is constructing water system improvements consisting of an emergency water system intertie between the city's system and the water company's system.

WHEREAS, the City can provide more enhanced service to its customers if an emergency source of water is available from the Water Company, and

WHEREAS, the Water Company is willing to provide to the City water necessary for the aforementioned purpose upon the terms and conditions set forth herein, and

WHEREAS, the Water Company can provide more enhanced service to its customers if an emergency source of water is available from the City, and

WHEREAS, the City is willing to provide to the Water Company water necessary for the aforementioned purpose upon the terms and conditions set forth herein, and

NOW, THEREFORE, IT IS MUTUALLY AGREED as follows:

1. Now, Therefore, City and Water Company agree to establish an intertie between their respective water systems according to the following terms and conditions.
2. The Water Company hereby grants to the City the right to connect a water meter and related appurtenances (Intertie Station) to their 8-inch water main located in the parking lot of Pierce County Fire District # 8 located at 10105-24th Street East, Edgewood Washington. The Intertie Station shall be constructed by the City and shall be owned and operated by the City.
3. The City shall comply with all Water Company policies and rules relating to connection to the Water Company's water system including, but not limited to, the Water Company's written approval of plans and specifications for the connection prior to construction.

4. The Intertie Station described herein will include a water meter for the purpose of metering consumption by either participant of this agreement.
5. The Intertie Station installed pursuant to this Agreement shall be supplied by the City and shall remain the property of the City upon completion of installation.
6. The Intertie Station described herein is installed both for emergency water consumption needs by the City from water delivered by the Water Company, and, for emergency water supply needs by the Water Company delivered by the City. Water delivered by the Water Company to the City shall not be withdrawn beyond the limits stated and agreed to herein. Water delivered by either party for emergency water supply shall not be withdrawn without prior notification and approval of both parties. At such time that either entity requests additional flows or emergency water supply, it shall state the required time of commencement, duration, and quantity to be so used.
7. This Agreement shall authorize or permit the City to take water from the connection described herein for emergency water consumption, only to the extent that available Water Company water exists. The City and Water Company herein agree that this range of consumption shall not exceed 400 gallons per minute.
8. The City shall pay to the Water Company at the same volume rate as the lowest residential tier schedule and shall not be subjected to the escalating tiered fee schedule. The rates currently charged to the City will be \$1.15 per 100 cubic foot and are subject to rate increase as published in the Water Company Fee Schedule.
9. The Water Company shall credit the City, at the same rate charged the City, for emergency water provided to the Water Company through this metered connection.
10. Both parties realize the benefits enjoyed by this Intertie and as a result no ready to serve charge will be levied against either party for this service.
11. In case of emergency or whenever the public health, safety, or the equitable distribution of water so demands, the Water Company and/or the City may reduce or limit the time for or temporarily discontinue the supply of water, for the above described purposes. Water service for the purposes stated herein may be temporarily interrupted for purposes of making repairs, extensions or doing other necessary work. Before so changing, reducing, limiting or interrupting the use of water, the parties agree to notify, insofar as practicable, each other. Neither party shall be held responsible for any damage resulting from interruption, change or failure of the water supply, and the City or Water Company agrees to save and hold harmless each other from any loss, damages or suits to or by its customers resulting from interruption, change or failure of water supply provided by this Agreement, except damaged arising out of their own respective negligence.
12. Payment of written invoices, as applicable, will become due and payable in full within sixty calendar days of their receipt of same. Failure to pay within the time period stated therein will result in an interest charge of 1% per month.

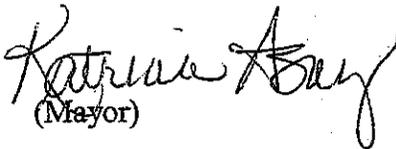
13. In the event of non-performance of any provision herein by either party, the City or Water Company may shut off water supplied pursuant to this Agreement.

14. This agreement may be terminated by either party hereto upon 180 day's prior written notice to the other party.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 10th day of April, 2006.

CITY OF MILTON
Pierce/King County, Washington

APPROVED AS TO FORM

By 
(Mayor)

By 
City Attorney

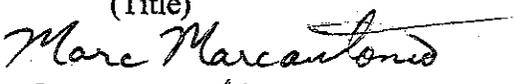
ATTEST: 
(Title) Deputy Clerk

Mt. View-Edgewood Water Co.
Pierce County, Washington

APPROVED AS TO FORM

By 
(Water Company President)

By

ATTEST:
(Title)

General Manager

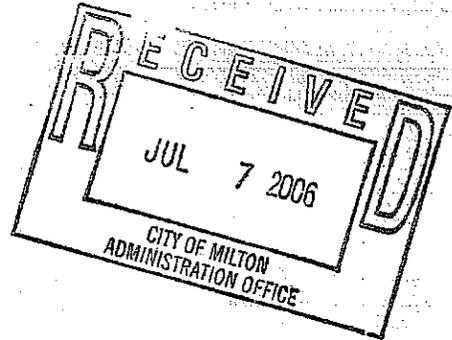


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05/17/2006 11:20am \$35.00
PIERCE COUNTY, WASHINGTON

RECEIVED

JUL 07 2006

CITY OF MILTON
PUBLIC WORKS



This Space Provided for Recorder's Use

AFTER RECORDING RETURN TO:

City of Milton
1000 Laurel St
Milton, WA 98354

EASEMENT FOR WATER MAIN AND EMERGENCY INTERTIE

The information contained in this boxed section is for recording purposes only pursuant to RCW 36.18 and RCW 65.04, and is not to be relied upon for any other purpose, and shall not affect the intent of or any warranty contained in the document itself.

Grantor(s):

Pierce County Fire Protection District #8

Grantee(s):

City of Milton, Washington

Abbreviated Legal Description:

An easement located over a portion of parcel # 0420091025 in the SE 1/4 of the NE 1/4 of Section 9, Township 20 North, Range 4 East

Complete or Additional Legal Description:

See Exhibit A, attached hereto and incorporated by this reference as if set forth in full.

Assessor's Property Tax Parcel/Account Number(s):

0420091025

Reference Numbers of Documents Assigned or Released: N/A

EXCISE TAX EXEMPT DATE 5-17-06
Pierce County

By [Signature] Auth. Sig

35-

EASEMENT FOR WATER MAIN AND EMERGENCY INTERTIE

Pierce County Fire Protection District #8 (Grantor), for itself, its successors and assigns, for a valuable consideration the receipt and sufficiency whereof is hereby acknowledged, hereby dedicates, conveys and grants unto the City of Milton (Grantee), its successors and assigns, a personal Easement for ingress, egress and utilities under, through and across the property described in Exhibit A, attached hereto and incorporated by this reference as if set forth in full.

That said GRANTEE shall have the right without prior institution of any suit or proceeding at law, at times as may be necessary, to enter upon said property and adjoining successors to install, construct, renew, operate and maintain mains and necessary facilities and other equipment for the purposes of operating a intertie with the Mt. View-Edgewood Water Company.

Also, the GRANTOR grants to the GRANTEE and to those acting under and for the GRANTEE the use of such additional area immediately adjacent to the above easement as shall be required for the construction of this water pipeline, intertie or the lines in the easement. Such additional area is to be held to a minimum necessary for that purpose. Immediately after the completion of the construction and installation or any subsequent entry upon the easement, the GRANTEE shall restore the premises as near as may be to the condition immediately before such construction or entry.

The GRANTOR covenants that access shall not be blocked, that the grade shall not be changed, that no permanent structure shall be erected and no large trees or shrubs shall be planted in the area of ground for which the easement in favor of the City of Milton has been provided herein.

This easement and the covenants herein shall be covenants running with the land and shall be binding on the successors, heirs and assigns of both parties hereto.

GRANTOR warrants that the GRANTOR has good title to the above property and warrants the GRANTEE title to the easement conveyed herein.

GRANTOR (S): Pierce County Fire Protection District #8



(Name)

STATE OF WASHINGTON

COUNTY OF PIERCE

On this 9th day of May, 2006, before me the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared:

Pierce County Fire Protection District #8, to be known to be the individual or individuals described in and who executed the within and foregoing instrument, and acknowledge he (she or they) signed the same as is his (her or their) free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year first above written.

Michelle L. Hellen

NOTARY PUBLIC in and for the State of

Washington, residing at,

Tacoma, Washington

My Commission expires 12/24/2009

EXHIBIT A
Emergency Easement
Parcel #: 0420091025

Beginning at the Southwest corner of parcel # 0420091025 located in the SE 1/4 of the NE 1/4 of Section 9, Township 20 North, Range 4 East, thence north along the west line of said lot, a distance of 30.00 feet; thence east a distance of 40.00 feet parallel to the south line of said lot; thence south a distance of 30.00 feet parallel to the west line of said lot; thence west along the south line of said lot a distance of 40.00 feet to the point of beginning in Pierce County, Washington.

RESOLUTION NO. 1033

RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF MILTON
AUTHORIZING THE ENTERING INTO AN AGREEMENT WITH FEDERAL
WAY WATER AND SEWER DISTRICT FOR EMERGENCY WATER
CONNECTION ON PACIFIC HIGHWAY SOUTH.

WHEREAS, the Town of Milton is constructing a water system
on Pacific Highway South pursuant to ULID 85-1, and

WHEREAS, the Town is in need of fire fighting water or
emergency water supply for the area and the Federal Way Water and
Sewer District has a 8-inch line in the vicinity, and the
District is willing to provide to the Town such water for fire
fighting purposes, and

WHEREAS, an Emergency Water Supply Agreement has been
prepared between the parties, and the Town is desirous of
entering into said Agreement to provide for the additional water
supply, Now, Therefore,

BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF MILTON:

Section 1: The Town Council of the Town of Milton does
hereby authorize the entering into an Emergency Water Supply
Agreement with Federal Way Water and Sewer District to provide
the Town of Milton water necessary for fire fighting purposes or
emergency water supply on Pacific Highway South, and the Town
Council further does authorize the Mayor and Town Officials to
execute the Agreement for and on behalf of the Town of Milton. A
copy of said Agreement is attached hereto and hereby approved.

PASSED AND APPROVED at a regular meeting of the Town Council
of the Town of Milton held this 4th day of February,
1988.

TOWN OF MILTON,

By [Signature]
Mayor

Attest:

By [Signature]
Clerk

EMERGENCY WATER SUPPLY AGREEMENT

THIS AGREEMENT made and entered into by and between the TOWN OF MILTON, a municipality in Pierce County, State of Washington, hereinafter referred to as "Town", and FEDERAL WAY WATER AND SEWER DISTRICT, a municipal corporation in King County, State of Washington, hereinafter referred to as "District",

WITNESSETH:

WHEREAS, the Town is constructing a water system in the vicinity of a water main of the District, and

WHEREAS, the Town can provide better fire protection for its customers if water for fire fighting purposes is available from the District, and

WHEREAS, the District is willing to provide to the Town water necessary for fire fighting purposes upon the terms and conditions set forth herein,

NOW, THEREFORE, IT IS MUTUALLY AGREED as follows:

1. The District hereby grants to the Town the right to connect a water meter and appurtenances to the end of the 8-inch water main located approximately 100 feet north of the Pierce-King County boundary line on the east side of Pacific Highway South in King County, Washington.
2. The meter described in Paragraph No. 1 herein is installed only for fire fighting purposes or emergency water supply. Water shall not be withdrawn for emergency water supply without the prior written approval of the District. At such time that the Town requests emergency water supply, it shall state the requested time of commencement, duration of use and quantity of water to be so used.
3. The Town shall comply with all District resolutions and rules relating to connection to the District's water system including, but not limited to, the district's written approval of plans and specifications for the connection prior to construction.

4. The Town shall pay to the District the same connection fee, rates and charges and monthly service charges, except for capital facilities charge, as are established from time to time by District resolution and as are applicable to the use of an 6-inch meter. The current monthly service charge for an 6-inch meter is \$300.00 per month and this rate shall be in effect until such time as the District amends its rate resolution or until a meter of different size is utilized.

5. This Agreement shall not authorize or permit the Town to take water from the connection described herein for continuing regular water consumption.

6. The meter installed pursuant to this Agreement shall be supplied by the Town and shall become the property of the District upon completion of installation.

7. (a.) In case of emergency or whenever the public health, safety, or the equitable distribution of water so demands, the District may change, reduce or limit the time for or temporarily discontinue the supply of water without notice; (b.) Water service may be temporarily interrupted, limited for purposes of making repairs, extensions or doing other necessary work; and (c.) The District shall not be responsible for any damage resulting from interruption, change or failure of the water supply, and the Town shall save and hold harmless the District from any loss, damages or suits to or by customers of the Town resulting from interruption, change or failure of water supply provided by this Agreement, except damages arising out of the District's negligence. Prior to a planned interruption or limiting of service, the District will notify the Town of such not less than three days prior to the service disruption. The District agrees to use best efforts and reasonable diligence to notify the Town as soon after it becomes aware of the need for service disruption and further will, to the extent practical, limit the service disruptions to daylight hours.

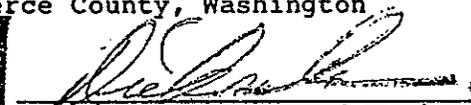
8. In the event of non-performance of any provision herein by the Town, District may shut off water supplied pursuant to this Agreement.

9. This Agreement may be terminated by either party hereto upon 60-days written notice to the other party.

IN WITNESS WHEREOF, we have hereunto set our hands and seals.

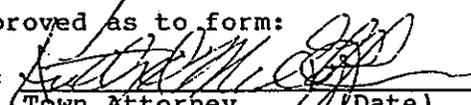
TOWN OF MILTON
Pierce County, Washington

FEDERAL WAY WATER & SEWER DISTRICT
King County, Washington

By: 
Mayor (Date)

By: _____
General Manager (Date)

Approved as to form:

By: 
Town Attorney (Date)

Attest.

