

**RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:**

City of Soap Lake
Attn: City Administrator
PO Box 1579
Soap Lake, WA 98837

DEVELOPMENT AGREEMENT

This Development Agreement (“Agreement”) is made and entered into between the City of Soap Lake, a Washington municipal corporation (“City”), and North Pacific Investments, Inc., a Washington corporation (“Developer”).

RECITALS

1. The Developer is the owner of Purple Sage RV Resort located at Grant County Parcel # 080381100, west side of Division St S between SR 28 W and 8th St SE, Soap Lake WA (the “Property”). The Property is legally described in Exhibit A, attached hereto and incorporated herein by this reference.

2. The Property is part of a Planned Development District previously approved by the City Council pursuant to Ordinance No 1306 (“Ordinance”). Section 4 of the Ordinance includes a requirement that the Developer participate in financing a sewer extension and related improvements serving the Property.

3. As part of the sewer extension, the City applied for and received the SIP grant funding contemplated by the Ordinance to help pay for the sewer extension intended to serve the Property (along with future connections to other properties in the vicinity). Pursuant to the Ordinance, the Developer has agreed to pay and/or reimburse the City for the local “match” portion of the funding associated with the sewer extension project. However, the Developer has further agreed to be separately responsible for water related improvements serving the Property.

4. The Developer has deposited the funds required repay the match portion of the SIP grant funding award.

5. RCW 36.70B.170 authorizes the execution of a development agreement between a local government and a person or entity having ownership or control of real property within its jurisdiction.

6. RCW 36.70B.170 requires a development agreement to set forth the development standards and other provisions that shall apply to govern and vest the development, use, and mitigation of the development of the real property for the duration specified in the agreement. The purpose of this Agreement is to recognize and vest the development standards and other provisions specified below that apply to and govern development and use of the Property.

7. For the purposes of this Agreement, “development standards” includes but is not limited to all of the development standards listed in RCW 36.70.B.170(3) as currently enacted or as hereafter amended.

8. A properly noticed public hearing on this Agreement was conducted on December 15, 2021.

9. Following testimony at the hearing, the City Council authorized the Mayor to execute this Agreement with the Developer to memorialize the terms and conditions upon which the Developer will pay or reimburse the City for the match portion of the project financing, and will be separately responsible for certain water system improvements.

AGREEMENT

The parties hereby agree as follows:

Section 1. Recitals. The Recitals set forth above are incorporated herein as binding commitments of the parties as if set forth in full.

Section 2. The Project Site. The Project site is located on and/or adjacent to the Property as depicted and described in Exhibit B, attached hereto and incorporated herein by this reference.

Section 3. The Project. The project involves the planning, design, and installation of a sewer line extension to serve the planned development on the Property (“Project”).

3.1 Except as set forth in Section 4, below, the City shall plan, design, and complete construction or installation of the Project improvements in accordance with the City development standards and all applicable laws, rules, regulations and standards. The Project Improvements shall be constructed within the public right-of-way according to engineered plans as prepared by the City’s engineers and the City Public Works Director.

3.2 Installation of the Project improvements shall be completed by the City, including qualified contractors retained by the City, on or before December 31, 2022, or this Agreement shall automatically terminate unless extended by mutual agreement of the Parties.

3.3 It is agreed between the parties that the Project is part of or intended to serve a private development and that the City will enter into a cost share or reimbursement agreement for financing associated with the Project (as further set forth in Section 6, below) with the Developer. The City has received a SIP grant in the amount of \$150,000 for the portion of the Project extending the sewer line to the Property. Said grant required a \$45,000 match to be paid by the Developer, which the Developer has deposited with the City.

3.4 The water line extension will be constructed and financed entirely by the Developer.

Section 4. Developer Required Improvements. Developer shall be required to comply with the Conditions of Approval regarding required improvements as set forth in the Ordinance. To date, Developer has substantially complied with such conditions of approval. In addition, the Developer shall be required, at its sole cost and expense, to complete or resolve the foregoing water-related improvements:

4.1 The onsite water system shall connect, "loop" to existing Soap Lake water system east of the project.

4.2. An onsite booster pump station to accommodate fire flow will be provided as needed to establish 1500 gpm 2 hour fire flow with 20 psi residual pressure as required by the Fire Marshall.

Section 5. Term of the Agreement. This Agreement shall commence on the Effective Date of the Adopting Ordinance approving this Agreement ,and shall continue in force until terminated as set forth in Section 16, below.

Section 6. Project Costs. The total project cost is anticipated to be \$246,258.87 ("Project Total Cost"). The City has received SIP grant funding to contribute toward the Total Project Cost in the amount of One Hundred Fifty Thousand and no/100 Dollars (\$150,000.00). Pursuant to Section 4 of the Ordinance, the Developer is responsible for payment or reimbursement of the local match portion of the SIP grant Project funding, in the total amount of Forty-Five Thousand and No/100 Dollars (\$45,000.00). The City acknowledges that the Developer has paid or reimbursed the City for its "match" related to the Project funding. The parties anticipate that funding sources will be available to cover the remaining portion of the Project Total Cost.

In the event the Developer is liable or responsible for any other financing or costs associated with the Project (in excess of the SIP match contribution or Total Project Cost set forth above), the City shall invoice the Developer for any remaining costs associated with construction and installation of the Project improvements, which invoices shall be due and payable within thirty (30) days. In the alternative to invoicing for payments/reimbursements, the City may, in its sole discretion, require Developer to pay a deposit for all or a portion of the Project cost estimate.

The Developer shall be solely responsible for payment of their onsite construction and installation costs. In addition, Developer shall be solely responsible for payment related to construction and installation of water line improvements serving the Property.

Section 7. Vested Rights of Developer. During the term of this Agreement, unless sooner terminated in accordance with the terms hereof, and developing the Subject Property consistent with the project described herein, Developer is assured, and the City agrees, that the development rights, obligations, terms and conditions specified in this Agreement (in regards to the Project described herein), are fully vested in the Developer. Said development rights obligations, terms, and conditions may not be changed or modified by the City, except as may be expressly permitted by, and in accordance with, the terms and conditions of this Agreement, including the exhibits hereto, or as expressly consented thereto by the Developer.

Section 8. Permitted Uses and Development Standards. The permitted uses, the density and intensity of the use, the maximum height and size the proposed buildings, provisions for reservations and dedications of land or payment of fees in lieu of dedication for public purposes, the construction, installation, and extension of public improvements, development guidelines and standards for the development of the Property, shall be those set forth in (a) this Agreement, (b) the City of Soap Lake Municipal Code, the City's official design standards and construction standards (except to the extent they conflict with this Agreement), (c) the Ordinance approved by the City Council, (d) the approvals identified herein and the Council's decision, and (e) all exhibits incorporated herein.

Section 9. Minor Modifications. Minor modifications from the approved permits or the exhibits attached hereto may be approved in accordance with the provisions of the City's Code, and shall not require an amendment to this Agreement. "Minor Modifications" means changes to this Agreement which do not require public notice and hearing prior to implementation but which do require administrative approval. The parties otherwise agree that a Minor Modification is one which does not change the beneficial use of the Property.

Section 10. Default.

10.1 Subject to extensions of time by mutual consent in writing, failure or delay by either party or Landowner not released from this Agreement, to perform any term or provision of this Agreement shall constitute a default. In the event of alleged default or breach of any terms or conditions of this Agreement, the party alleging such default or breach shall give the other party or Landowner notice of the default in writing, specifying the nature of the alleged default and manner in which set default may be cured. For thirty (30) days after delivery of the default notice, the party or Landowner charged shall not be considered in default for purposes of termination or institution of legal proceedings.

10.2 After notice of default and expiration of the thirty (30) day period, if such default has not been cured or is not being diligently cured in a manner set forth in the notice, the other party or Landowner to this Agreement may, at its option, institute legal proceedings pursuant to this Agreement. In addition, the City may decide to file an action to enforce the City's Code, and to recover penalties, fees, and costs as provided in the City's Code for violations or breaches of this Agreement and or the City's code.

Section 11. Termination. This Agreement shall expire or terminate as provided herein:

11.1 This Agreement shall expire and be of no further force and effect if any of the following occur:

11.1.1 The planned development on the Property and all the permits and/or approvals issued by the City for such planned development are not substantially underway prior to expiration of such permits and/or approvals. Nothing in this Agreement shall extend the expiration date of any permit or approval issued by the City for any development of the Property; or

11.1.2 The Developer does not complete payment or reimbursement to the City for any part of the Project Cost as set forth in Section 6; or

11.1.3 The City does not construct the Project as contemplated by the permit and approvals identified in this Agreement. In the event the Developer has made payment or reimbursement for the Project, the Developer shall be entitled to repayment of costs associated with construction or installation, but not planning or design.

11.2 This Agreement shall terminate upon completion of the Project, as determined by the City. Upon termination of this Agreement, the City shall record a notice of such termination in a form satisfactory to the County that the Agreement has been terminated.

Section 12. Assignment and Assumption. The Developer shall have the right to sell, assign, or transfer this Agreement with all its rights, title, and interest therein to any person, firm, or corporation at the time during the term of this Agreement subject to the prior written approval of the City which shall not be unreasonably withheld. Developer shall provide the City with written notice of any intent to sell, assign, or transfer all or a portion of the Property, at least 30 days in advance of such action.

Section 13. Covenants Running with the Land. The conditions and covenants set forth in this Agreement and incorporated herein by the Exhibits shall run with the land and the benefits and burdens shall bind and inure to the benefit of the parties. The Developer (owner) and every owner, purchaser, assignee, or transferee of an interest in the Property, or any portion thereof, shall be obligated and bound by the terms and conditions of this Agreement, and shall be the beneficiary thereof, but only with respect to the Property, or such portion thereof, sold, assigned, or transferred to it. Any such owner, purchaser, assignee, or transferee shall observe and fully perform all the duties and obligations of a Developer contained in this Agreement, as such duties and obligations pertaining to the portion of the Property sold, assigned, or transferred to it.

Section 14. Amendments to Agreement. This Agreement may be amended or extended by mutual consent of all parties, provided that any such Amendment shall be in writing and follow the process established by law for the adoption of a Development Agreement (see RCW 36.70B.200).

Section 15. Notices. Notices, demands, and correspondence to the City and Developer shall be by pre-paid, first-class mail to the addresses of the parties as designated in Section 5. Notice to the City shall be to the attention of the Mayor. Notices to the subsequent Landowners shall be required to be given by the City only for those Landowners who have given the City written notice of their address for such notice. The parties hereto may, from time to time, advise the other of new address for such notices, demands, or correspondence.

Section 16. Applicable Law and. This Agreement shall be construed and enforced in accordance with the laws of the State of Washington. Venue for any action shall lie in the Superior Court of Grant County, Washington.

Section 17. Attorney's Fees & Costs. If litigation is initiated to enforce the terms of this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees and costs from the non-prevailing party. In the event that any legal action or special proceeding is commenced by any third person or entity other than the parties to this Agreement challenging this Agreement or any provisions herein, the City may elect to tender the defense of such lawsuit or

individual claimed in the lawsuit to Developer. In such event, Developer shall hold the City harmless from and shall defend and indemnify the City from and against all costs and expenses incurred in the defense of such lawsuit or individual claims in the lawsuit, not including but limited to, attorney's fees and expenses of litigation, and damages awarded to the prevailing party or parties of such litigation. The Developer shall not settle any lawsuit without the prior written consent of the City.

Section 18. Specific Performance. The parties specifically agree that damages are not an adequate remedy for breach of this Agreement, and that the parties are entitled to compel specific performance of all material terms of this Development Agreement by any party in default hereof.

Section 19. Severability. If any portion of this Agreement, or the application of a portion, is determined unenforceable or unlawful by a court of competent jurisdiction, the remainder of the Agreement, or the application of the portion in question to the remainder of the Agreement, shall not be affected.

Section 20. Construction. In the event of a dispute between the parties as to the meaning of terms, phrases or specific provisions of this Agreement, the authorship of this Agreement shall not be cause for the Agreement to be construed against any party nor in favor of any party.

Section 21. Waiver. No provision of this Agreement shall be deemed to have been waived unless that waiver is in writing signed by the waiving party. Failure by any of the parties to insist upon the strict performance of any provision of this Agreement, or to exercise any right or remedy upon a breach, shall not constitute a waiver of the breach of that provision or of any other provision. A waiver of one provision of this Agreement shall not be deemed a waiver of any other provision of this Agreement or a waiver of that provision with respect to any subsequent breach, unless expressly provided in writing.

Section 22. Authority. Each of the parties to this Agreement represents, warrants and covenants that the party has the full power and authority to execute, deliver, and perform this Agreement, and that such execution, delivery and performance has been duly authorized. Each of the undersigned agents of the parties represents and warrants their authority to sign this Agreement on behalf of that party.

Section 23. Counterparts. This Agreement may be executed in any number of counterparts, all of which when taken together shall constitute one agreement binding on all of the parties to the Agreement, notwithstanding that all such parties are not signatories to the same counterpart.

The parties hereto have caused this Agreement to be executed on the dates set forth below.

OWNER/DEVELOPER:

North Pacific Investments, Inc.

By: _____ Date: _____

Governor

By: _____ Date _____

Governor

STATE OF WASHINGTON

COUNTY OF _____

I certify that I know or have satisfactory evidence that _____ and _____ signed this instrument, on oath stated that they were authorized to execute the instrument as Governors for North Pacific Investments, Inc., and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED: _____, 2021

Notary Public for Washington State
My commission expires _____

[The remainder of this page left blank intentionally; signature next page]

CITY OF SOAP LAKE:

By: _____
Alex Kovach, Mayor

Date: _____

STATE OF WASHINGTON

COUNTY OF GRANT

I certify that I know or have satisfactory evidence that Alex Kovach signed this instrument, on oath stated that he was authorized to execute the instrument as Mayor for the City of Soap Lake and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED: _____, 2021

Notary Public for Washington State

My commission expires _____

APPROVED AS TO FORM:

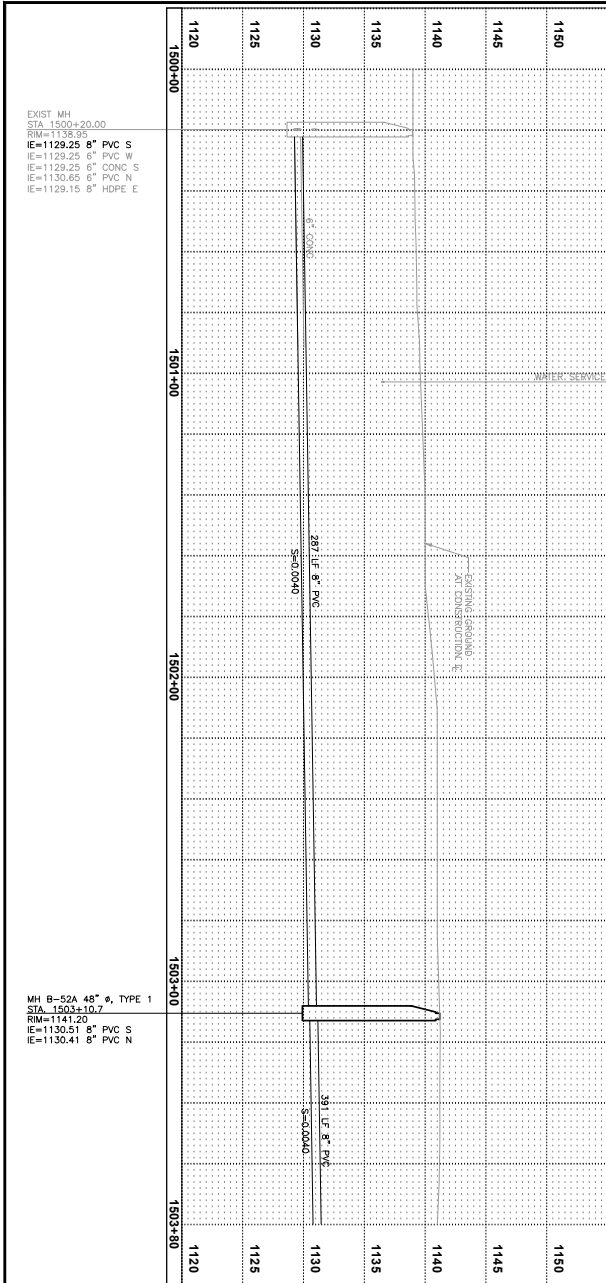
Julie Norton, City Attorney

EXHIBIT A
Property Legal Description

Survey Recorded File #1442902, Book 85, Page 33.

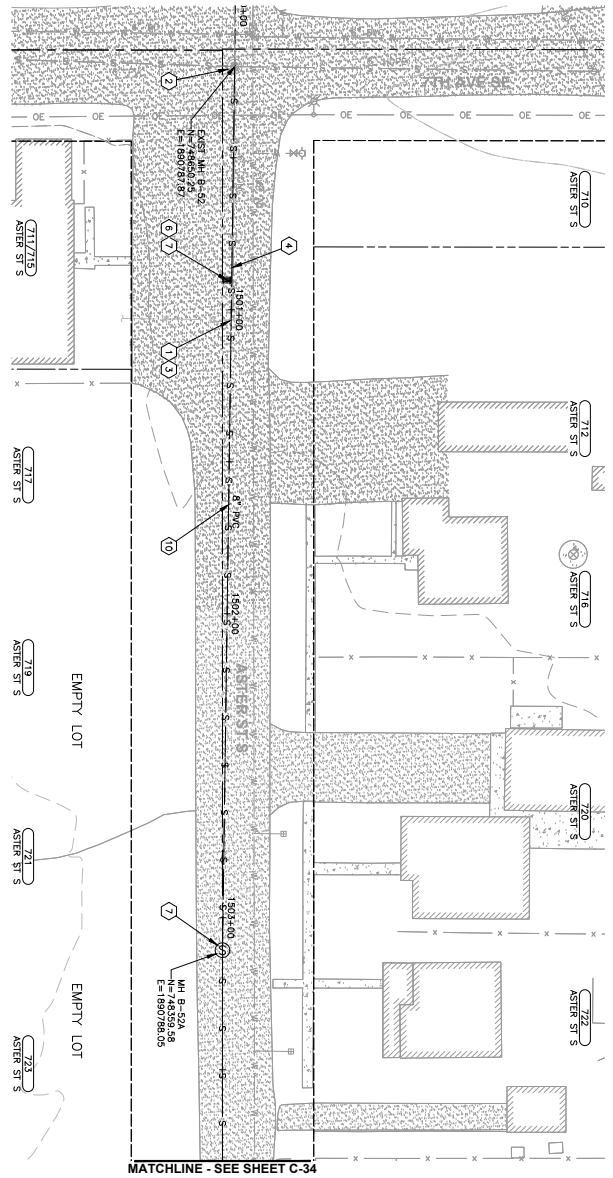
EXHIBIT B
Project Description and Depiction

See attached sheets C-33, C-34, & C-35
From Schedule C of the Soap Lake Sewer & Water Phase III Project



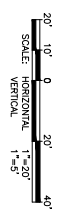
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 RIM=1138.95
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 IE=1129.25 6" PVC W
 IE=1129.25 6" CONC S
 IE=1130.65 6" PVC N
 IE=1129.15 8" HDPE E

MH B-52A 48" ø, TYPE 1
 STA 1503+10.7
 RIM=1141.20
 IE=1130.51 8" PVC S
 IE=1130.41 8" PVC N



MATCHLINE - SEE SHEET C-34

- CONSTRUCTION NOTES**
- CONTRACTOR SHALL VERIFY EXISTING UTILITIES BEFORE COMMENCING WORK AT NO ADDITIONAL COST TO OWNER.
 - THE CONTRACTOR SHALL VERIFY EXACT LOCATION, SIZE, PIPE TYPE AND DEPTH OF PIPE PRIOR TO CONSTRUCTION OF SEWER MAIN.
 - THE CONTRACTOR SHALL USE EXTREME CAUTION WHEN EXCAVATING NEAR EXISTING UTILITIES / STRUCTURES.
 - REPLACE EXISTING SANITARY SEWER BY OPEN CUT METHODS.
 - CONTRACTOR SHALL DETERMINE IF EXISTING SIDE SEWER IS ACTIVE. IF NOT, REMOVE EXISTING SIDE SEWER. IF ACTIVE, REMOVE FROM EXISTING SANITARY SEWER MAIN AND PROTECT FROM COLLAPSE. AND PLUG THE ENDS OF THE EXISTING SIDE SEWER. THE NEW SIDE SEWER PIPE SHALL BE EXTENDED TO WITHIN THREE FEET OF THE STRUCTURE. IF THE EXISTING SIDE SEWER IS ACTIVE, THE CONTRACTOR SHALL VERIFY DETERMINATION WITH CITY AND ENGINEER BEFORE PLUGGING ENDS OF THE EXISTING SIDE SEWER.
 - EXACT LOCATION OF SIDE SEWER IS UNKNOWN.
 - INSTALL NEW SANITARY SEWER MANHOLE.
 - CONTRACTOR SHALL COORDINATE WITH GRANT COUNTY PLD TO PROTECT POWER POLE DURING SEWER MAIN REPLACEMENT.
 - PROTECT POWER POLE DURING SEWER MAIN REPLACEMENT. REPAIR, SEE DETAILS.
 - INSTALL NEW SANITARY SEWER BY OPEN CUT METHODS.
 - PROVIDE SURFACE RESTORATION IN ACCORDANCE WITH DETAILS.



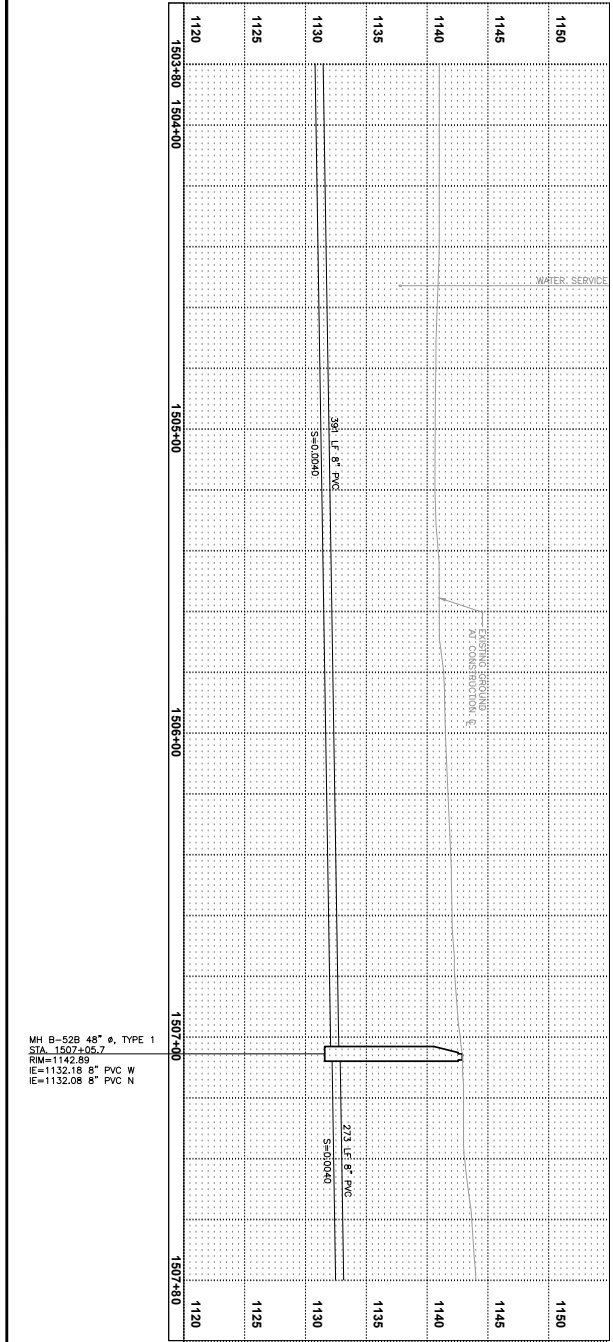
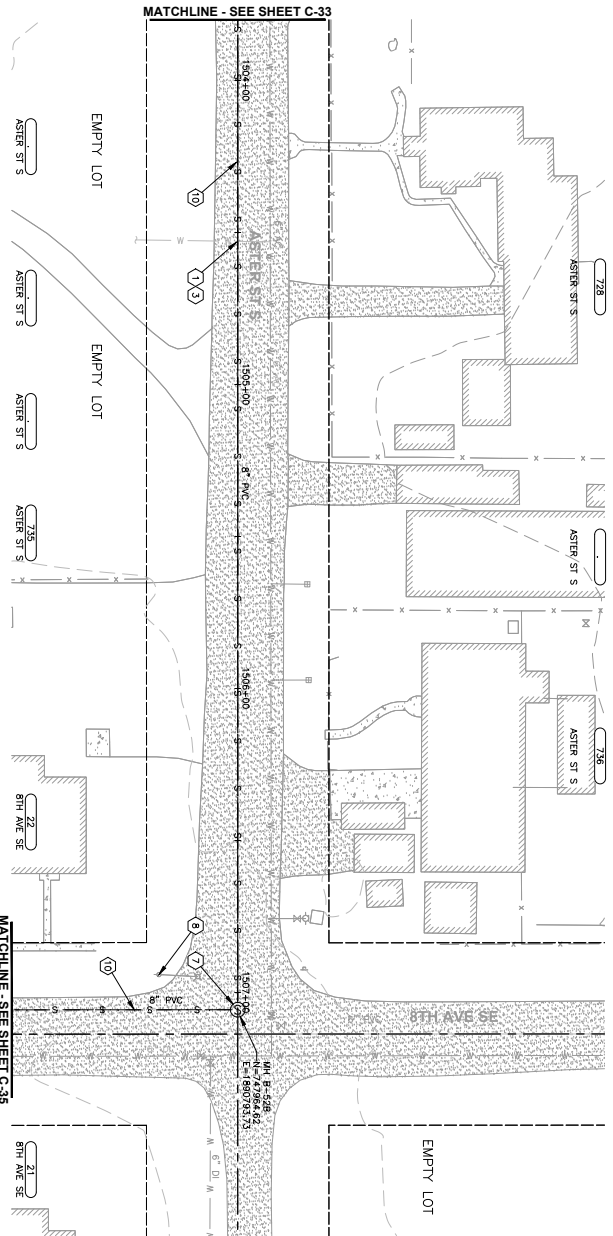
STATE OF WASHINGTON
 TOWNSHIP 27N, RANGE 27E, W4

RIGHT-OF-WAY DISCLAIMER
 The location of the sewer main is shown as a dashed line. The location of the sewer main is shown as a dashed line. The location of the sewer main is shown as a dashed line.

CITY OF SOAP LAKE
 GRANT COUNTY WASHINGTON
WATER & SEWER (PHASE III)
 IMPROVEMENTS
SCHEDULE C - DIVISION STREET SOUTH
 SEWER MAIN EXTENSION
 PLAN AND PROFILE STA 1500+00 TO STA 1503+80

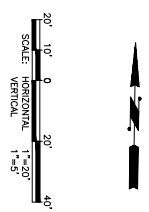
No.	REVISION	DATE	APPD
PRELIMINARY NOT FOR CONSTRUCTION			

DATE: OCT. 2021
 SCALE: NOTED
 DRAWN: FP/BS
 CHECKED: JRA
 APPROVED: SCW



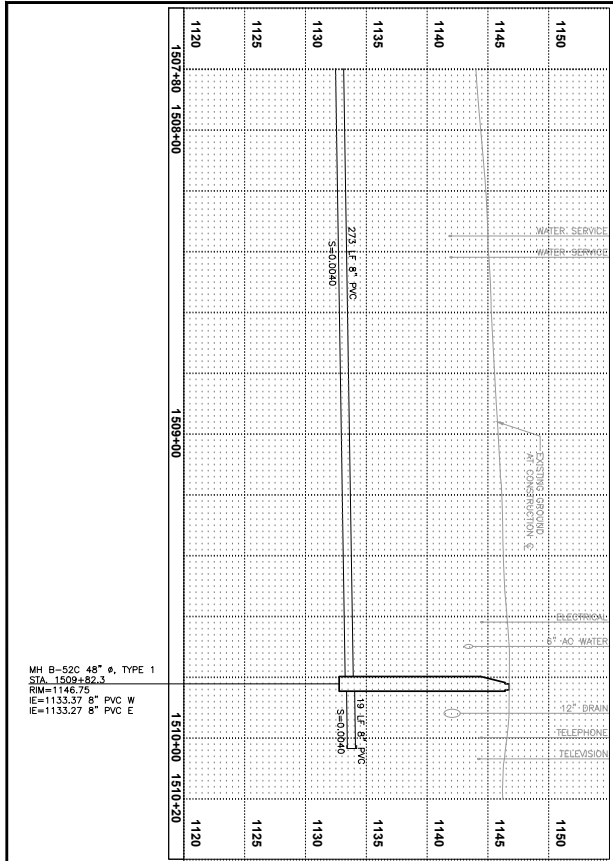
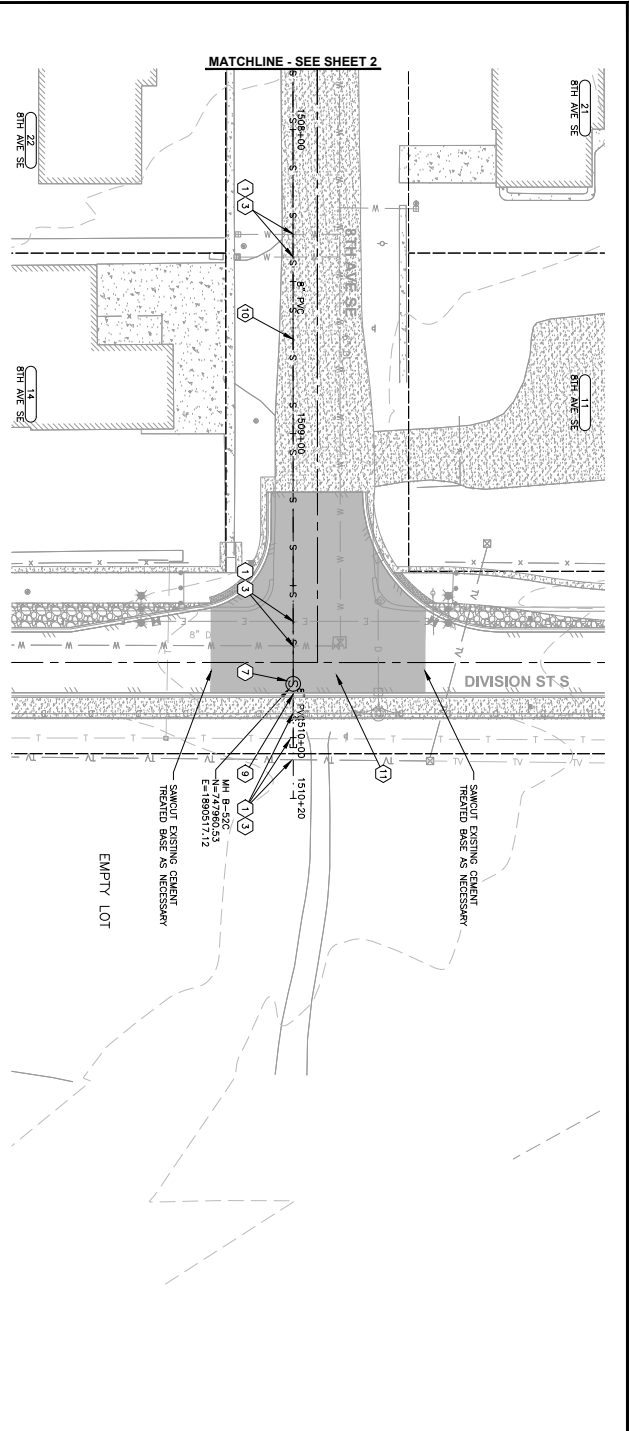
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 STA 1507+05.7
 INVERT 1142.89
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 IE=1132.08 8" PVC N

- CONSTRUCTION NOTES**
- CONTRACTOR SHALL VERIFY EXISTING UTILITIES BEFORE COMMENCING WORK AT 10' DEPTH TO 20' DEPTH.
 - THE CONTRACTOR SHALL VERIFY EXACT LOCATION, SIZE, PIPE TYPE AND DEPTH OF PIPE PRIOR TO CONSTRUCTION OF SEWER MAIN.
 - THE CONTRACTOR SHALL USE EXTREME CAUTION WHEN EXCAVATING NEAR EXISTING UTILITIES / STRUCTURES.
 - REPLACE EXISTING SANITARY SEWER BY OPEN CUT METHODS.
 - CONTRACTOR SHALL DETERMINE IF EXISTING SIDE SEWER IS ACTIVE. IF NOT, REMOVE EXISTING SIDE SEWER. IF ACTIVE, REMOVE EXISTING SIDE SEWER FROM EXISTING MANHOLE TO PROPERTY LINE OR EASEMENT BOUNDARY AND PLUG THE ENDS OF THE EXISTING SIDE SEWER. THE NEW SIDE SEWER PIPE SHALL BE EXTENDED TO WITHIN THREE FEET OF THE STRUCTURE. IF THE EXISTING SIDE SEWER IS ACTIVE, THE CONTRACTOR SHALL VERIFY DETERMINATION WITH CITY AND ENGINEER BEFORE PLUGGING ENDS OF THE EXISTING SIDE SEWER.
 - EXACT LOCATION OF SIDE SEWER IS UNKNOWN.
 - INSTALL NEW SANITARY SEWER MANHOLE.
 - CONTRACTOR SHALL COORDINATE WITH GRANT COUNTY PLD TO PROTECT POWER POLE BURNISH AND INSTALL CANS AND OUTER REPAIR. SEE DETAILS.
 - INSTALL NEW SANITARY SEWER BY OPEN CUT METHODS.
 - PROVIDE SURFACE RESTORATION IN ACCORDANCE WITH DETAILS.



RIGHT-OF-WAY DISCLAIMER
 The location and extent of the right-of-way shown on this plan is based on the information provided by the applicant and is not a guarantee of the right-of-way.

CITY OF SOAP LAKE GRANT COUNTY WASHINGTON WATER & SEWER (PHASE III) IMPROVEMENTS SCHEDULE C - DIVISION STREET SOUTH SEWER MAIN EXTENSION PLAN AND PROFILE STA 1503+80 TO STA 1507+80		DATE: OCT. 2021 SCALE: NOTED DRAWN: FP/BS CHECKED: JRA APPROVED: SCW	 180 IRON HORSE COURT YAKIMA, WA 98901 • (509) 453-4833
		SHEET: C-34 OF: 48 JOB NO.: 18045 DATE: 10/12/2021	



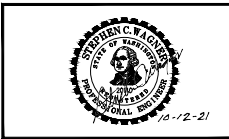
1150	1507+80	1508+00	1509+00	1510+20	1150
1145					1145
1140					1140
1135					1135
1130					1130
1125					1125
1120					1120

RIGHT-OF-WAY DISCLAIMER
 The location of the sewer main extension shown on this plan is based on the information provided by the City of Soap Lake. The City of Soap Lake is not responsible for any errors or omissions on this plan. The contractor shall verify the location of the sewer main extension before construction.

CONSTRUCTION NOTES

- CONTRACTOR SHALL VERIFY EXISTING UTILITIES BEFORE COMMENCING WORK AT NO ADDITIONAL COST TO OWNER.
- THE CONTRACTOR SHALL FIELD VERIFY EXACT LOCATION, SIZE, PIPE TYPE AND DEPTH OF PIPE PRIOR TO CONSTRUCTION OF SEWER MAIN.
- THE CONTRACTOR SHALL USE EXTREME CAUTION WHEN EXCAVATING NEAR EXISTING UTILITIES / STRUCTURES.
- REPLACE EXISTING SANITARY SEWER BY OPEN CUT METHODS.
- CONTRACTOR SHALL DETERMINE IF EXISTING SIDE SEWER IS ACTIVE. IF NOT, CONTRACTOR SHALL REMOVE EXISTING SIDE SEWER FROM PROPERTY LINE OR EASEMENT BOUNDARY, AND PLUG THE ENDS OF THE EXISTING SIDE SEWER. THE NEW SIDE SEWER PIPE SHALL BE EXTENDED TO WITHIN THREE FEET OF THE STRUCTURE. IF THE EXISTING SIDE SEWER IS ACTIVE, THE CONTRACTOR SHALL VERIFY DETERMINATION WITH CITY AND ENGINEER BEFORE PLUGGING ENDS OF THE INACTIVE SIDE SEWER.
- EXACT LOCATION OF SIDE SEWER IS UNKNOWN.
- INSTALL NEW SANITARY SEWER MANHOLE.
- CONTRACTOR SHALL COORDINATE WITH GRANT COUNTY PLD TO PROTECT POWER POLE DURING SEWER MAIN REPLACEMENT.
- CONTRACTOR SHALL FINISH AND INSTALL CURB AND OUTER REPAIR, SEE DETAILS.
- INSTALL NEW SANITARY SEWER BY OPEN CUT METHODS.
- PROVIDE SURFACE RESTORATION IN ACCORDANCE WITH DETAILS.

CITY OF SOAP LAKE
 GRANT COUNTY WASHINGTON
WATER & SEWER (PHASE III)
SCHEDULE C - DIVISION STREET SOUTH
SEWER MAIN EXTENSION
 PLAN AND PROFILE STA 1507+80 TO STA 1510+20



No.	REVISION	DATE	APPD

DATE: OCT. 2021
 SCALE: NOTED
 DRAWN: FP/BS
 CHECKED: JRA
 APPROVED: SCW

Gray & Osborne, Inc.
 CONSULTING ENGINEERS
 180 IRON HORSE COURT
 YAKIMA, WA 98901 • (509) 453-4833