

WATER USERS AGREEMENT

PARTIES AND PROPERTY

OWNERS: John Smith, Larry Jones, Mel Snyder, Lou Reid
is/are the owner(s) of the following described property:

Lots 1,2,3 & 4 of S.S. #4255, Chelan County,
Washington

WELL: The well subject to this Agreement is located on:

Lot 3 of ss #4255, Chelan County, Washington

OWNERSHIP OF THE WELL AND WATERWORKS

It is agreed by the parties that each of the said parties shall be and is hereby granted an undivided 1/4 interest in and to the use of the well and water system to be constructed. Each party shall be entitled to receive a supply of water equal to 1250 gallons/day. Irrigation water is available from this water system. If irrigation water is available from this water system, the amount of area available for irrigation is limited to 1/8 acre per lot. Each party shall be furnished a reasonable supply of potable and healthful water for domestic purposes.

COST OF WATER SYSTEM CONSTRUCTION

The parties herein agree to share equally in the cost incurred in well site approval, well construction, design of the water system for approval by the Health Officer, and construction and/or installation of

the waterworks equipment, the pumphouse and water distribution pipes, and initial well water quality tests.

COST OF MAINTENANCE OF WATER SYSTEM

Each party hereto covenants and agrees that they shall equally share the maintenance and operational costs of the well and water system herein described. The expense of water quality sampling as required by the State of Washington shall be shared equally by both parties. The parties shall establish and maintain a reserve account at a mutually agreed upon banking institution. Each party shall be entitled to receive an annual statement from said banking institution regarding the status of the reserve account. The monetary funds in the reserve account shall be utilized for the sole purpose of submitting water samples for quality analysis and maintaining, repairing or replacing the well and common waterworks equipment or appurtenance thereto.

EASEMENT OF WELL SITE AND PUMPHOUSE

There shall be an easement for the purpose of maintaining or repairing the well and appurtenances thereto, within 30 feet of the well site in any direction. Said easement shall allow the installation of well house, pumps, water storage reservoirs, pressure tanks, and anything necessary to the operation of the water system.

WATER LINE EASEMENTS

An easement for the use and purpose of conveying water from the well to the properties involved is hereby declared and is Shown on the SS 4255 mylar - or is shown on the water system plans - or - from the well head due north to the north property line and then along the northern property line of all four lots.

Said easement shall be five (5) feet in width and shall extend on, over, across, and underneath said strip of land from designated well site to common point as referred to. No permanent type of building shall be constructed upon the water line easement except as needed for the operation of the well and water system.

MAINTENANCE AND REPAIR OF PIPELINES

All pipelines in the water system shall be maintained so that there will be no leakage or seepage, or other defects which may cause contamination of the water, or injury, or damage to persons or property. Pipe material used in repairs shall meet approval of the Health Officer. Cost of repairing or maintaining common distribution pipelines shall be born equally by all properties. Each party in this agreement shall be responsible for the maintenance, repair, and replacement of pipe supplying water from the common water distribution piping to their own particular dwelling and property. Water pipelines shall not be installed within 10 feet of a septic tank or within 10 feet of sewage disposal drainfield lines.

PROHIBITED PRACTICES

The parties herein, their heirs, successors and/or assigns, will not construct, maintain or suffer to be constructed or maintained upon the said land and within 100 feet of the well herein described, so long as the same is operated to furnish water for public consumption, any potential source of contamination such as cesspools, sewers, privies, septic tanks, drainfields, manure piles, garbage of any kind or description, barns, chicken houses, rabbit hutches, pigpens, or other enclosures or structures for the keeping or maintenance of fowls or animals, or storage of liquid or dry chemicals, herbicides, or insecticides. The parties will not cross connect any portion or segment of the water system with any other water source without prior written approval of the Chelan Douglas Health District and/or other appropriate governmental agency.

WATER SYSTEM PURVEYOR

John Smith is designated "Purveyor" of the water system. The purveyor shall be responsible for arranging submission of all necessary water samples as required in the Washington Administrative Code, and handling emergencies such as system shutdown and repair. The purveyor shall provide his/her name, address and telephone number to the Health Officer and shall serve as a contact person to the Health Officer. The purveyor shall organize and maintain the water system records and notify the Health Officer and all parties, service connections and lots that are included in this agreement, of the water quality tests that are required by WAC 246-291. Water system records shall be available for review and inspection by all parties in this agreement and the Health Officer.

PROVISIONS FOR CONTINUATION OF WATER SERVICE

The parties agree to maintain a continuous flow of water from the well and water system, herein described in accordance with public water supply requirements of the State of Washington. In the event that the quality or quantity of water from the well becomes unsatisfactory as determined by the Health Officer, the parties shall develop a new source of water. Prior to development of, or connection to a new source of water, the parties shall share equally in the cost of developing the new source of water and installing the necessary equipment associated with the new source.

RESTRICTION ON FURNISHING WATER TO ADDITIONAL PARTIES

It is further agreed by the parties hereto that they shall not furnish water from the well and water system herein above described to any other persons, properties or dwellings without majority consent of the properties and written approval from the Chelan Douglas Health District.

HEIRS, SUCCESSORS AND ASSIGNS

These covenants and agreements shall run with the land and shall be binding on all parties having or acquiring any right, title, or interest in this land described herein or any part hereof, and it shall pass to and be for the benefit of each owner thereof.

ENFORCEMENT OF AGREEMENT ON NON-CONFORMING PARTIES AND PROPERTIES

The parties herein agree to establish the right to make reasonable regulations for the operation of the system, such as the termination of service if bills are not paid within 45 days of the due date, additional charges for disconnection, reconnection, etc. Parties not conforming with the provisions of this agreement shall be subject to interest charges of 18% per annum together with all collection fees.

DATED this _____ day of _____, 19__.

John Smith

Larry Jones

Mel Snyder

Lou Reid

STATE OF WASHINGTON

COUNTY OF _____

On this _____ day of _____, 19__, before me, the duly undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____ who executed the foregoing instrument, and acknowledged to me that he signed the same as his own free and voluntary act and deed for the uses and purposed therein mentioned.

In WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

State of Washington, Residing in _____

My commission expires _____