

# EXHIBIT A

---

## SIDE SEWER ASSISTANCE PROGRAM LOAN AGREEMENT

Borrower(s): \_\_\_\_\_

Lender(s): Clark Regional Wastewater District, Clark County, Washington

THIS AGREEMENT is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, by and between the Clark Regional Wastewater District, Clark County, Washington, a municipal corporation ("District"), and \_\_\_\_\_ ("Owner").

### RECITALS:

1. Pursuant to District Code Chapter 5.44, which establishes a Side Sewer Assistance Program, the Owner has submitted an application to have the District pay for the cost of constructing a side sewer located on the Real Property. The Owner's application was processed and approved by the District.
2. The Owner has received and accepted a bid for the work from \_\_\_\_\_ ("Contractor"), which bid has been approved by the District. A true and correct copy of the construction contract, including the bid, is attached as Exhibit A-1 and incorporated by reference.
3. The purpose of this Agreement is to set forth the terms of the District's consent to loan the Owner the maximum amount of \$\_\_\_\_\_ for the work ("loan amount"), and the Owner's promise to repay the District for the District's financial assistance.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. Incorporation of Recitals. The Recitals set forth in Paragraphs A through D above are incorporated in this Agreement as if set forth in full.

2. Payment of Contractor. The District agrees to loan the Owner the loan amount or the actual cost of completion of the work, whichever is less ("construction cost"). Upon completion of the work, the Owner and the Contractor shall submit to the District a certification, in a form approved by the General Manager, of the actual cost of construction and of completion of the work to the satisfaction of the Owner. The Owner shall allow authorized personnel of the District to inspect the completed work.

Upon acceptance of the completed work (as described below), or upon failure of the District to inspect the work within 21 days of submittal of the certification, the District shall, within the District's normal schedule for issuance of vouchers, issue jointly to the Owner and the Contractor a warrant for the construction cost. Any amount due to the Contractor in excess of the loan amount shall be borne by the Owner and paid to the Contractor directly by the Owner.

If the completed work is unacceptable to the District, the General Manager or the manager's designee shall provide the Owner and the Contractor a written corrective work order, which order shall detail the corrective work required by the District. The District shall not make any payment to the Owner or the Contractor until such corrective work is performed to the satisfaction of the District.

The costs of any corrective work, which increase the total cost of the completed work to an amount greater than the loan amount, shall be borne by the Owner and paid to the Contractor directly by the Owner.

3. Payment of Contractor Upon Default of Owner. If the Owner refuses to sign the certification required by Paragraph 2 of this Agreement upon request of the Contractor, the Contractor may submit to the District a certification, in a form approved by the General Manager, of completion of the work and refusal of the Owner to sign the certification. If the District determines in its discretion that the work is complete, the District is authorized and shall issue to the Contractor, within the District's normal schedule for issuance of vouchers, a warrant for one-half of the construction cost. The District shall issue jointly to the Owner and the Contractor a warrant for the remainder of the construction cost, within the District's normal schedule for issuance of vouchers, upon receipt from the Owner and the Contractor of the certification required by Paragraph 2 of this Agreement.

4. Lien Against Real Property. The Owner agrees that the proceeds of the loan described in this Agreement will be applied towards the costs of the work. All amounts paid to the Contractor, or the Owner and the Contractor jointly, shall constitute a lien against the title of the Real Property.

The terms of this Agreement shall constitute a covenant running with the land, binding upon the District and the Owner, their successors, heirs and assigns, or upon any party subsequently acquiring any right, title or interest in the Real Property.

5. Owner's Promise to Pay. The sum paid by the District to the Contractor, or to the Owner and the Contractor jointly ("repayment amount") pursuant to this Agreement, shall be repaid to the District by the Owner shall be paid in accordance with the terms of the attached installment payment contract.

6. Indemnification of District. The Owner shall release and indemnify the District from any and all claims, damages and lawsuits relating to the construction, repair, operation and maintenance of the side sewer located on the Real Property.

7. Disclaimer of Warranty. The District does not make any warranty with respect to any materials, products or labor relating to the work. The Owner shall contact the Contractor directly in connection with any written warranties for materials, products or labor.

8. Independent Contractor. The Owner acknowledges that any and all employees of the Contractor or other persons, while engaged in the performance of any of the work, shall be considered employees of the Contractor only and shall not be considered officers, employees, contractors, or agents of the District.

9. Notices. Any notice to be given, document to be delivered, or payment to be made by either party to the other, shall be delivered in person or mailed by certified mail and addressed to the District or Owner at the following addresses:

District:	John Peterson General Manager P.O. Box 8979 Vancouver, WA 98668-8979
-----------	---

With payments made to:	Ken Andrews Finance Director P.O. Box 8979 Vancouver, WA 98668-8979
------------------------	--

Owner mailing	_____
Address:	_____
	_____
	_____

Any party may, by written notice to the other, designate a different address or designee.

Owner:

\_\_\_\_\_

Printed Name:

\_\_\_\_\_

STATE OF WASHINGTON         )  
  : ss  
County of Clark                 )

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

DATED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
Signature  
\_\_\_\_\_  
Printed Name  
Notary Public in and for the State of WA,  
residing at \_\_\_\_\_  
My Commission expires \_\_\_\_\_

Clark Regional Wastewater District:

\_\_\_\_\_  
Its:

\_\_\_\_\_

STATE OF WASHINGTON         )  
  : ss  
County of Clark                 )

I certify that I know or have satisfactory evidence that \_\_\_\_\_  
signed this instrument on oath, stated that he was authorized to execute the instrument on behalf of the  
**CLARK REGIONAL WASTEWATER DISTRICT, CLARK COUNTY, WASHINGTON** to be the free and  
voluntary act of such parties for the uses and purposes mentioned in this instrument.

DATED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
Signature  
\_\_\_\_\_  
Printed Name  
Notary Public in and for the State of WA,  
residing at \_\_\_\_\_  
My Commission expires \_\_\_\_\_

**EXHIBIT A-1  
CONSTRUCTION CONTRACT**