

AGREEMENT REGARDING DRAINAGE CONTROL

THIS AGREEMENT is made between the Port Ludlow Drainage District (“District”), a Washington special purpose district, and the Ludlow Maintenance Commission (“LMC”), a Washington non-profit corporation, hereinafter referred to collectively as the parties.

WHEREAS, the District provides drainage control and other related activities as authorized under RCW 85.38.180;

WHEREAS, the District is currently completing a comprehensive stormwater management plan;

WHEREAS, the LMC is an incorporated (non-profit) homeowners’ association, whose membership consists of the owners of residential lots and condominium units located within a portion of the area generally known as Port Ludlow, which area is located within the jurisdictional boundaries of the District;

WHEREAS, the LMC owns and maintains certain greenbelt area consisting of trees and other natural vegetation;

WHEREAS, the LMC, pursuant to its covenants and regulations, currently reviews and approves development proposals for new construction and remodeling of existing buildings and structures within its jurisdiction, which process includes a review of drainage plans and requests for the removal of trees;

WHEREAS, the proper design and completion of drainage plans and the review of the impact of removing trees and other natural vegetation is vital to the purposes and goals of the District;

WHEREAS, due to the expertise of the District, the LMC has requested that the District participate in the LMC’s review and approval of any development plans within the LMC in order to address potential drainage control issues;

WHEREAS, the parties believe that by entering into this Agreement, the issues of drainage control within the LMC areas and the District can be better addressed in a consistent and coordinated manner;

WHEREAS, RCW 85.38.180 (10) and (11) specifically provide that the District may cooperate with public or private entities or persons for District purposes and enter in contracts.

NOW, THEREFORE, in consideration of the terms and conditions contained herein the parties agree as follows:

I. PURPOSE

The purpose of this Agreement is to allow the District to participate in the LMC's review process of development proposals that will affect and contribute to the discharge of water to the District's facilities, which process includes a review of the design and construction of drainage facilities and requests for the removal of trees and other natural vegetation.

II. REVIEW, INSPECTION AND COMMENT

1. Beginning on the first day of the first month following approval of the Agreement by both parties, the LMC shall give written notice to the District of all development proposals submitted to the LMC that require drainage plans or facilities that will discharge directly or ultimately into drainage facilities operated and maintained by the District. Additionally, the LMC shall give written notice to the District of any proposals that include requests for the removal of large trees or natural vegetation in LMC-owned greenbelts or other LMC areas, in order to establish the effect, if any, of the proposed removals on drainage within the LMC areas and the District.

2. The LMC shall give the District an opportunity to comment on such proposals and to suggest changes or conditions, which comments, changes and conditions the LMC shall in good faith consider and, to the extent possible, incorporate into the LMC's approval process.

3. In the event the District does not comment on any proposal within fourteen (14) calendar days of the District's receipt of written notice thereof, the proposal shall be deemed acceptable to the District. Provided, however, nothing herein shall prevent the LMC from accepting and considering any comments, changes or conditions made by the District after that time period. Further, the LMC specifically reserves the right to consider and adopt any comments, changes or conditions made by other qualified persons that may have been solicited by the LMC to participate in the review process.

4. Beginning on the first day of the first month following approval of this Agreement by both parties, the LMC shall further give the District written notice and an opportunity to inspect and comment upon completed drainage facilities within the LMC area that will discharge directly or ultimately into facilities operated or maintained by the District prior to the LMC's acceptance of same, which comments the LMC shall in good faith consider.

5. In the event the District does not inspect or comment on any completed facility within three (3) business days after the District's receipt of written notice thereof, the facility shall be deemed acceptable to the District. Provided, however, nothing herein shall prevent the LMC from accepting and considering any comments, changes or conditions made by the District after that time period. Further, the LMC specifically reserves the right to consider and adopt any comments, changes or conditions made by other qualified persons that may have been solicited by the LMC to participate in the review process.

III. DUTY TO COOPERATE

The parties agree to cooperate in good faith, and to make available to each other such records as may be reasonably necessary, to accomplish the purpose of this Agreement. The LMC and the District, or their designees, shall establish such procedures as may be reasonable to carry out the purpose of this Agreement.

IV. RESPONSIBILITY FOR COSTS

Each party shall be responsible for its own costs of review and inspections, including engineering and other consulting services or staff services incurred in connection with this Agreement.

V. TERMINATION

Either Party may terminate this Agreement upon ninety (90) calendar days written notice to the other.

VI. NOTICES

Notice to the Parties shall be submitted to the following:

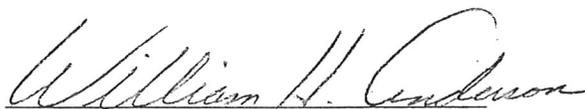
Ludlow Maintenance Commission
P.O. Box 65060
Port Ludlow, WA 98365

Port Ludlow Drainage District
P.O. Box 65261
Port Ludlow, WA 98365

Signed this 7TH day of NOVEMBER, 2002

for Ludlow Maintenance Commission, Inc.

for Port Ludlow Drainage District



William H. Anderson, President

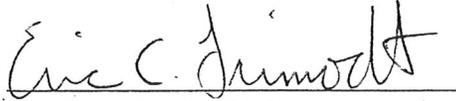


Richard P. Regan, P.E., Chairman

LMC Board of Trustees

Port Ludlow Drainage District

Approved as to form:



Attorney for the LMC



Attorney for the District