

**HIGHLINE WATER DISTRICT
King County, Washington**

RESOLUTION 10-8-18B

RESOLUTION AUTHORIZING AMENDMENT TO DEVELOPER EXTENSION AGREEMENT TO ALLOW DEVELOPERS TO PROVIDE ALTERNATIVE PERFORMANCE GUARANTEES (SECURITIES) IN LIEU OF A PERFORMANCE BOND

WHEREAS, the recent economic climate has reduced the ability for developers to obtain performance bonds from surety companies.

WHEREAS, the current developer extension agreement requires developers to provide a performance bond from a surety for 100% of the estimated construction costs.

WHEREAS, the District's current developer extension agreement states the following:

INSURANCE AND BONDING
7. The Developer shall furnish a Performance Bond to the District prior to construction upon a form approved by the District in an amount equal to 100% of the engineer's estimated water systems construction costs or \$5,000, whichever is greater. Such bond shall be issued by a surety acceptable to the District. Costs of such bonds shall be the responsibility of the Developer.

WHEREAS, the proposed revisions to the Insurance and Bonding Section, Item No. 7, are as follows:

INSURANCE AND BONDING
7. The Developer shall furnish a Performance Bond to the District prior to the preconstruction conference a performance guarantee of a type and in upon a form, as determined approved by the District in its sole discretion, in an amount equal to one hundred (100)% percent of the engineer's estimated extension construction cost water systems construction costs or Five Thousand Dollars (\$5,000), whichever is greater. Such bond shall be issued by a surety acceptable to the District. Costs of such bonds shall be the responsibility of the Developer. If the performance guarantee is a surety performance bond, the bond shall be issued by a surety acceptable to the District. The cost of the performance guarantee shall be the responsibility of the Developer.

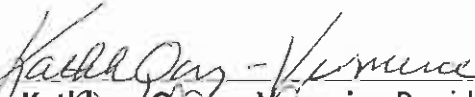

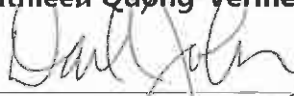
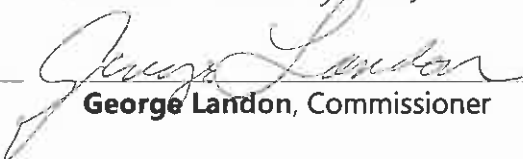
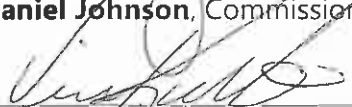
WHEREAS, in lieu of a performance bond by a surety, the District will allow a Cash Deposit or an Irrevocable Standby Letter of Credit issued by a bank on the District's forms (attached as Exhibit(s) A & B and incorporated herein by this reference), in the amount of 100% of the estimated construction costs.

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NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of Highline Water District authorizing amending the Developer Extension Agreement as referenced in this document and incorporated herein).

ADOPTED BY THE BOARD OF COMMISSIONERS of Highline Water District, King County, Washington, at a Regular Open Public Meeting held this **18th** day of **August 2010**.

BOARD OF COMMISSIONERS	
 Kathleen Quong-Vermeire, President	 Gerald R. Guite, Secretary
 Daniel Johnson, Commissioner	 George Landon, Commissioner
 Vince Koester, Commissioner	