




**AGENDA
BILL
Item 6.D**

**Division 7 Reservoir
Easement Replacement
Agreement**

DATE SUBMITTED:	April 10, 2023	MEETING DATE:	April 12, 2023
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Easement Replacement Agreement		
	2. Easement Acquisition Summary		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

A structural analysis of the Lake Whatcom Water and Sewer District Division 7 Water Reservoir found significant deficiencies in its ability to meet existing earthquake code requirements (BHC report, December 2016). The 2017 Water System Plan also analyzed the capacity of the Division 7 reservoir and found it to be significantly oversized. Technical memoranda prepared by Wilson Engineering LLC (dated February 8, 2018, and December 28, 2020) provided alternatives analyses that investigated several options associated with future use of the reservoir or replacement. The recommended alternative replaces the existing welded steel 1-million gallon reservoir with two smaller concrete 185,000 gallon reservoirs.

The District has received a FEMA Hazard Mitigation Grant to finance a significant portion of the overall project. Since grant award, the District has proceeded with design and permitting. Another key element of the project is acquisition of a perpetual utility easement on which the new reservoirs and appurtenances will be located. Both the existing and proposed reservoirs are located on property owned by The Firs Bible & Missionary Conference (The Firs). The existing reservoir is located within an existing easement, while the new reservoirs are proposed on property that the District does not currently have an easement upon. Over the past year the District has been engaged in discussions with The Firs whereby the District would acquire an easement for the new reservoirs, and after demolition and site restoration of the existing reservoir, relinquish the easement underlying that portion of The Firs' property. Based upon appraised land values, the District and The Firs have reached an agreement for a new easement (Easement Replacement Agreement, see Attachment No. 1). For a summary of the easement values to be acquired and relinquished, please refer to Attachment No. 2.

FISCAL IMPACT

The District cost of easement acquisition, following relinquishment of the existing easement is \$22,951.02. Note that in addition to the perpetual easement, the agreement stipulates that the District will pay \$5,000 for a temporary construction easement and \$1,000 for The Firs' legal review of the agreement. All costs are accommodated within the approved project budget.

APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

Financial Viability
Infrastructure Strategy and Performance
Enterprise Resiliency

RECOMMENDED BOARD ACTION

Staff recommends that the Board approve execution of the Easement Replacement Agreement and the attached Easement Agreement and Temporary Construction Easement Agreement.

PROPOSED MOTION

A recommended motion is:

"I move to authorize the general manager to execute the Easement Replacement Agreement and its attached Easement Agreement and Temporary Construction Easement Agreement between the District and The Firs Bible & Missionary Conference, as presented."

EASEMENT REPLACEMENT AGREEMENT

THIS EASEMENT REPLACEMENT AGREEMENT ("Agreement"), is dated this ____ day of _____, 2023, and by and between The Firs Bible & Missionary Conference, (hereinafter referred to as "The Firs") and Lake Whatcom Water and Sewer District, a Washington municipal corporation, (hereinafter referred to as "District"). The Firs and the District may be referred to herein individually as "Party" or collectively as "Parties."

RECITALS

WHEREAS, The Firs is the sole owner in fee simple of certain real property, situated in Whatcom County, Washington, described as follows:

A TRACT OF LAND IN SECTIONS 8 AND 9, TOWNSHIP 37 NORTH, RANGE 4 EAST OF THE W.M., AND DESCRIBED AS FOLLOWS TO-WIT:

BEGINNING AT A POINT ON THE NORTH EDGE OF THE RIGHT OF WAY OF THE GAASLAND ROAD WHICH LIES 278.8 FEET SOUTH AND 1863.3 FEET WEST OF THE QUARTER CORNER BETWEEN SECTIONS 8 AND 9, TOWNSHIP 37 NORTH, RANGE 4 EAST. OF THE W.M. THENCE EASTERLY ALONG THE NORTH EDGE OF THE RIGHT OF WAY TO THE WEST LINE OF THE GAASLAND PROPERTY; THENCE DUE NORTH TO A POINT ON THE EAST AND WEST CENTER LINE OF SECTION 8; THENCE SOUTH 88°13' EAST 1042.01 FEET TO THE QUARTER CORNER BETWEEN SECTIONS 8 AND 9; THENCE NORTH 200 FEET; THENCE DUE EAST TO THE SHORE OF LAKE WHATCOM; THENCE NORTHERLY ALONG THE SHORE OF LAKE WHATCOM TO A POINT ON A HIGH ROCK DIRECTLY OVER THE EDGE OF LAKE WHATCOM; THENCE SOUTH 33° WEST 2510 FEET; THENCE SOUTH 17° WEST 680 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH A PERPETUAL EASEMENT FOR INGRESS AND EGRESS TO THE ABOVE DESCRIBED PROPERTY OVER A STRIP OF LAND 60 FEET IN WIDTH FROM THE SOUTHWEST CORNER OF THE ABOVE DESCRIBED PROPERTY, SOUTHERLY AND WESTERLY TO LAKE WHATCOM BOULEVARD, ADJOINING THE SAID GAASLAND ROAD ON THE NORTHERLY AND WESTERLY SIDES THEREOF AS NOW SURVEYED AND LAID OUT.

Situate in the County of Whatcom, State of Washington.

Assessor Parcel No. 370408 490372 0000 (hereinafter the "Property"); and

WHEREAS, the District owns and operates an existing water reservoir and associated appurtenances ("Existing Reservoir") on the Property located within an existing perpetual easement recorded at Whatcom County Auditor File No. 1106257 ("Existing Easement"); and

WHEREAS, the Existing Reservoir is approaching the end of its useful life and requires replacement with two (2) new reservoirs and associated appurtenances ("New Reservoirs") meeting current seismic design standards; and

WHEREAS, to maintain water service to its customers, the District plans to construct the New Reservoirs at a location on the Property in the near vicinity of the Existing Reservoir, and then to demolish the Existing Reservoir and complete site restoration; and

WHEREAS, The Firs intends to grant, and the District intends to obtain a perpetual easement for the placement, installation, construction, operation, maintenance, improvement, replacement, and repair of the New Reservoirs, through, over, and across the Property, substantially in the form of and at the location established in the Easement Agreement attached and incorporated hereto as **Exhibit A** ("Easement"); and

WHEREAS, the Easement granted pursuant to this Agreement connects to another existing easement over The Firs property to provide access from Lake Whatcom Boulevard, which existing easement is recorded at Whatcom County Auditor File No. 1106257 and which the Parties hereby recognize and acknowledge is held by the District as grantee; and

WHEREAS, The Firs further intends to grant to the District a temporary construction easement for use during construction of the New Reservoirs and demolition of the Existing Reservoir for the purpose of storage and staging excavated material and ingress and egress during construction and demolition, through, over, and across the Property, substantially in the form of and at the location established in the temporary construction easement attached and incorporated hereto as **Exhibit B** ("Temporary Construction Easement" or "TCE"); and

WHEREAS, following grant of the Easement to the District, and following construction and connection of the New Reservoirs to the District water system, the District will demolish the Existing Reservoir, clean up and restore the site of the Existing Reservoir and Existing Easement, and thereafter execute and record its relinquishment of the Existing Easement; and

WHEREAS, the Parties agree that the value of the Easement on the Property being acquired by the District is FORTY-TWO THOUSAND ONE HUNDRED SIXTY-FOUR DOLLARS AND ONE CENT (\$42,164.01); and

WHEREAS, the Parties agree that the value of the Existing Easement on the Property being relinquished by the District is NINETEEN THOUSAND TWO HUNDRED TWELVE DOLLARS AND NINETY-NINE CENTS (\$19,212.99); and

WHEREAS, the Parties further agree that as consideration for The Firs grant of the Easement on the Property to the District and the District's relinquishment of its Existing Easement on the Property ("Easement Replacement"), the District shall pay to The Firs the difference between the value of the Easement and the Existing Easement; and

WHEREAS, the difference in value between the Easement (\$42,164.01), and the Existing Easement (\$19,212.99), is TWENTY-TWO THOUSAND NINE HUNDRED FIFTY-ONE DOLLARS AND TWO CENTS (\$22,951.02), which amount shall be paid to The Firs as consideration for the easement replacement pursuant to this Agreement;

WHEREAS, the foregoing recitals are agreed upon by the Parties and a material part of this Agreement;

NOW, THEREFORE, in consideration of the promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Easement Replacement.

1.1 Easement Grant. The Firs shall grant the Easement to the District at Closing (as defined herein), in accordance with the terms and conditions set forth in this Agreement. The Firs shall also grant the Temporary Construction Easement to the District at Closing, in accordance with the terms and conditions set forth in this Agreement.

1.2 Easement Relinquishment. The District shall relinquish the Existing Easement on the Property after Closing, in accordance with the terms and conditions set forth in this Agreement.

2. Purchase Price and Payment for Easement Replacement.

2.1 Purchase Price. The purchase price for the Easement Replacement under this Agreement ("Purchase Price") shall be the sum of TWENTY-TWO THOUSAND NINE HUNDRED FIFTY-ONE DOLLARS AND TWO CENTS (\$22,951.02), subject to the terms herein.

2.2 Down Payment. The Firs acknowledges receipt from the District of the sum of ONE THOUSAND DOLLARS (\$1,000.00), as and for a non-refundable Down Payment, constituting part payment of the Purchase Price, to be applied to the full Purchase Price at Closing, or applied as otherwise provided herein. The balance of the Purchase Price shall be paid at Closing, in the manner described in Section 2.3.

2.3 Payment of Purchase Price. The Purchase Price shall be paid by the District to The Firs, subject to credit for the Down Payment and all terms herein, in the sum of \$22,951.02, at Closing.

2.4 Payment for Temporary Construction Easement. In addition to payment of the Purchase Price, the District shall pay The Firs the sum of FIVE THOUSAND DOLLARS (\$5,000.00) for the Temporary Construction Easement.

2.5 Payment for Legal Review. In addition to payment of the Purchase Price and payment for the Temporary Construction Easement, the District shall pay The Firs the sum of ONE THOUSAND DOLLARS (\$1,000.00) for the purpose of securing legal counsel to review the terms of this Agreement. Any legal review costs incurred by The Firs in excess of \$1,000.00 shall be borne by The Firs. Said payment shall be made at Closing.

3. Title and Related Matters. Within 14 days of mutual acceptance of this Agreement, The Firs shall have delivered to the District a Preliminary Commitment for a Standard Title Insurance Policy insuring the Easement and showing title to the Property to be free and clear of all matters that could impair or impede use of the Easement other than: (a) the normal permitted exceptions contained in the Title Company's standard owner's title insurance policy; and (b) encumbrances acceptable to the District, which do not materially interfere with the Easement Agreement. The District shall have ten (10) days from delivery of said Preliminary Commitment for Standard Title Insurance Policy insuring the Easement to object in writing to exceptions or encumbrances to title not acceptable to the District. For items to which the District so objects, The Firs shall use reasonable efforts to cure such objections prior to Closing unless The Firs provides written notice to the District within fifteen (15) days of receipt of the District's objection notice that The Firs will not remove such items. In the event that The Firs does not or cannot remove exceptions or encumbrances that are not otherwise a normal permitted exception, and to which the District has timely objected to in writing, then unless the Parties otherwise agree in writing, this Agreement shall terminate and be of no further force or effect and the District's earnest money shall be promptly refunded.

4. Conditions to Closing.

4.1 District's Conditions. District's obligation to close this transaction shall be contingent upon the following:

a. The District shall obtain all necessary local, state and federal permits and/or approvals to allow for the construction and operation of the New Reservoirs on the Easement, including without limitation a land disturbance permit, fill and grade permit, revocable encroachment permit, conditional use permit, and building permit, all with conditions acceptable to the District.

b. District's approval of the commitment for a standard title insurance policy for an easement pursuant to Section 3.

4.2 The Firs' Conditions. The Firs' obligation to close this transaction shall be contingent upon the following:

Additional Payment in Escrow. At Closing, the District shall deposit with the Escrow Office the sum of \$19,212.99 ("Additional Escrow Deposit"). The Additional Escrow Deposit shall be released to the District upon the District's removal of the Existing Reservoir from the Existing Easement, completion of site restoration thereof, and execution and recording of its relinquishment of the Existing Easement.

5. Escrow and Closing.

5.1. Place and Time of Closing. The Firs grant of the Easement to the District shall be closed (the "Closing") in the offices of Stewart Title in Bellingham ("Escrow Office"). Unless otherwise agreed in writing by the Parties, subject to any extension, the Closing shall take place one (1) year from the date of complete execution of this Agreement, or sooner at the sole election of the District. The District may at any time prior to expiration of this Agreement or extension hereof, direct that the Parties immediately proceed to Closing, and may voluntarily waive some or all of its conditions to Closing set forth in Section 4.1 in doing so. The date specified herein for Closing (the "Closing Date") shall be the date when the Easement document is recorded and the sale proceeds are available to the Firs. The District will have the right to one (1) one (1) year extension of the Closing Date by providing written notice to the Firs at least fifteen (15) calendar days prior to expiration of initial Closing Date.

5.2. Events of Closing. At Closing, the following shall occur:

5.2.1. The District shall deliver to Escrow Office immediately available funds in the amount required to be paid pursuant to Sections 2.3, 2.4, and 2.5, and also the additional escrow payment described in Section 4.2.

5.2.2. The District and the Firs shall fully execute, acknowledge, and deliver to Escrow Office the Easement Agreement, substantially in the form of **Exhibit A** hereto, and the Temporary Construction Easement substantially in the form of **Exhibit B** hereto. The Easement Agreement and Temporary Construction Easement shall be recorded by Escrow Office.

5.2.3. Grantor shall cause Escrow Office to have a standard policy of title insurance issued to Grantee to insure the Easement in an amount equal to the Purchase Price, subject only to the standard printed exceptions to such policies, and encumbrances acceptable to Grantee, which do not materially interfere with the Easement Agreement.

5.2.4. The Parties shall execute and deliver a Real Estate Excise Tax Affidavit and take all other steps necessary to effect the conveyance of the Easement and Temporary Construction Easement to Grantee as contemplated by this Agreement.

5.2.5. Pursuant to Section 4.2, the Additional Escrow Deposit shall remain with the Escrow Office and be returned to District upon satisfaction of the requirements therein.

5.3. Closing Costs. Costs associated with the Closing shall be borne by the District, including the title insurance policy to be provided pursuant to Section 5.2.3, escrow fees, recording fees, and any real estate excise tax.

5.3.1. Except as expressly provided in this Agreement, each Party shall bear all other costs and expenses incurred by such party in connection with this transaction.

6. Default; Remedies.

6.1. Default. The failure of either the District or The Firs to close this transaction according to its terms shall constitute a default.

6.2. Remedies. In the event of a breach or default in this Agreement, all remedies in law and equity shall be available, including without limitation the remedy of specific performance.

6.3. Time of Essence. Time is of the essence of the Parties' obligations under this Agreement.

7. Representations and Warranties.

7.1. Grantor's Representations and Warranties. For the purpose of inducing the District to enter into this Agreement and to consummate the transactions contemplated herein, The Firs hereby represents and warrants to the District, as of the date hereof, and again as of the Closing Date, as follows:

7.1.1. Neither The Firs' ratification of this Agreement nor The Firs' performance of any of its obligations hereunder will violate, or constitute a default under or breach of, any agreement between The Firs and any third party, or of any other obligation by which The Firs is otherwise bound.

7.1.2. The Firs is fully authorized to enter into and perform its obligations under this Agreement and under any other agreement or instrument necessary to consummate the transaction contemplated by this Agreement.

7.1.3. There is neither any pending nor threatened legal action against The Firs which could in any way affect the District after its acquisition of the Easement or which could enjoin or restrict The Firs' right or ability to perform its obligations under this Agreement.

7.1.4. There are no attachments, executions, assignments for the benefit of creditors, or proceedings in bankruptcy or under any other debtor relief laws contemplated by or pending or, to the best of The Firs' knowledge, threatened against The Firs.

7.1.5. The Firs, after inquiry, is unaware of any contamination of the Easement by any toxic or hazardous substance, waste or material, including without limitation petroleum products,

asbestos, pesticides or herbicides, and is unaware of any present or previous use of the Easement by any party which has caused a release or threatens to cause a release of any such toxic or hazardous substance, waste or material. The Firs has received no notice from any governmental entity or other third party concerning any such contamination or requiring the removal of any toxic or hazardous substance, waste or material. The Firs understands that these representations are material to the District's determination as to the advisability of entering into this Agreement. To further assist the District in making this determination, The Firs shall fully and accurately complete and return to the District the Environmental Questionnaire attached hereto as **Exhibit C**, within seven (7) days of mutual acceptance of this Agreement.

7.2. District's Representations and Warranties. For the purposes of inducing The Firs to enter into this Agreement and to consummate the transactions contemplated herein, the District hereby represents and warrants to The Firs, as of the date hereof, and again as of the Closing Date, as follows:

7.2.1. Neither the District's ratification of this Agreement nor the District's performance of any of its obligations hereunder will violate, or constitute a default under or breach of, any agreement between the District and any third party, or of any other obligation by which the District is otherwise bound.

7.2.2. The District is fully authorized to enter into and perform its obligations under this Agreement and under any other agreement or instrument necessary to consummate the transaction contemplated by this Agreement.

7.2.3. There are no attachments, executions, assignments for the benefit of creditors, or proceedings in bankruptcy or under any other debtor relief laws contemplated by or pending or, to the best of District's knowledge, threatened by or against the District.

7.3. Renewal of Representations and Warranties. All representations and warranties contained in this Section 7 shall be deemed made as of the date of this Agreement and renewed as of the Closing Date.

7.4. No Other Representations and Warranties. Each Party hereby acknowledges that no representations or warranties have been made with respect to the Easement or the transaction contemplated by this Agreement other than those expressly set forth in this Section 7.

8. General Provisions.

8.1. Survival. All representations and warranties set forth in this Agreement and all provisions of this Agreement, the full performance of which are not required prior to Closing, shall survive Closing and be fully enforceable thereafter.

8.2. Binding Effect. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

8.3. Notices. Notices under this Agreement shall be in writing and shall be effective when actually hand delivered or three (3) business days after being deposited in the United States mails, certified, return receipt requested, directed to the other Party at the address set forth beneath that Party's signature(s) on the last page of this Agreement, or to such other address as the Party may indicate by written notice to the other Party.

8.4. Waiver. Failure of either Party at any time to require performance of any provision of this Agreement shall not limit such Party's right to enforce such provision, nor shall any waiver of any breach of any provision of this Agreement constitute a waiver of any succeeding breach of such provision or a waiver of such provision itself.

8.5. Amendment. This Agreement may not be modified or amended except by the written agreement of the Parties.

8.6. Attorneys' Fees. If a suit, action, or other proceeding of any nature whatsoever (including any proceedings under the U.S. Bankruptcy code) is instituted in connection with any controversy arising out of this Agreement or to interpret or enforce any rights hereunder, the prevailing Party shall be entitled to recover its attorneys', paralegals', accountants', and other experts' fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith, as determined by the court at trial or on any appeal or review, in addition to all other amounts provided by law.

8.7. Severability. If any term or provision of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement and the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

8.8. Integration. This Agreement contains the entire agreement and understanding of the Parties with respect to the purchase and sale of the Property and supersedes all prior and contemporaneous agreements between them with respect to such purchase and sale.

8.9. Construction and Interpretation. The headings or titles of the sections of this Agreement are intended for ease of reference only and shall have no effect whatsoever on the construction or interpretation of any provision of this Agreement. The use in this Agreement of the words "including," "such as," and words of similar import following any general statement, term, or matter shall not be construed to limit such statement, term, or matter in any manner, whether or not language of non-limitation (such as "without limitation" or "but not limited to") is used in connection therewith, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the scope of the general statement, term, or matter. All provisions of this Agreement have been negotiated at arms length and this Agreement shall not be construed for or against any part by reason of the authorship or alleged authorship of any provision hereof.

8.10. Recitals. Irrespective of any rules of construction or other precedent to the contrary, the contents of the Recitals contained in the paragraphs identified with capital letters on the first page of this Agreement shall constitute warranties and / or covenants of the Parties.

8.11. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

8.12. Indemnity. Each Party (as "Indemnitor") agrees to indemnify and hold harmless the other Party (as "Indemnatee") from and against any and all claims, losses, liabilities, and expenses (including reasonable attorneys' fees) incurred by the Indemnatee and arising out of any inaccuracy in or breach of any representation or warranty of the Indemnitor contained in this Agreement.

8.13. Facsimile Transmission. Facsimile transmission (including by email) of any signed original of this Agreement, including any notice to be provided hereunder, and retransmission of any signed facsimile transmission, shall be deemed the equivalent of transmission of an original, provided that the

facsimile transmission is acknowledged as having been received by its recipient, either by retransmission or by separate writing.

8.14. Counterparts. This Agreement may consist of two or more separately ratified counterparts, each of which shall constitute a duplicate original of this Agreement.

8.15 Remedies. All remedies in law and equity shall be available in the event of a breach of this Agreement, including the remedy of specific performance.

IN WITNESS WHEREOF, the Parties have executed this Agreement in duplicate the day and year first above written.

THE FIRS:
THE FIRS BIBLE AND MISSIONARY
CONFERENCE

DISTRICT:
LAKE WHATCOM WATER AND SEWER
DISTRICT

By: Lem Usita
Its: Executive Director

By: Justin L. Clary
Its: General Manager

Address: 4605 Cable Street
Bellingham, WA 98229

Address: 1220 Lakeway Drive
Bellingham, WA 98229

Phone: (360) 733-6840

Phone: (360) 734-9224

EXHIBIT A OF EASEMENT REPLACEMENT AGREEMENT

After Recording Please Return To:

LAKE WHATCOM WATER & SEWER DISTRICT
1220 Lakeway Drive
Bellingham, WA 98229

Document Title:

EASEMENT AGREEMENT

Reference # of Related Documents:

AF# 1106257

Grantor:

The Firs Bible and Missionary Conference

Grantee:

Lake Whatcom Water and Sewer District, a Washington municipal corporation

Abbreviated Legal Description:

PTN E 1/2, S8, T37N, R4E OF W.M.

PTN NW 1/4, S9, T37N, R4E OF W.M.

Assessor's Tax Parcel No.:

370408 490372 0000

EASEMENT AGREEMENT

THIS EASEMENT AGREEMENT (“Agreement”) is made and entered into this ____ day of _____ 2023, by and between The Firs Bible & Missionary Conference, (hereinafter referred to as “Grantor,” or “Grantors”) and Lake Whatcom Water and Sewer District, a Washington municipal corporation, (hereinafter referred to as “Grantee” or “District”). Grantor and Grantee may be referred to herein individually as “Party” or collectively as “Parties.”

WITNESSETH:

WHEREAS, Grantor is the owner in fee of the following described real property situated in Whatcom County, Washington:

A TRACT OF LAND IN SECTIONS 8 AND 9, TOWNSHIP 37 NORTH, RANGE 4 EAST OF THE W.M., AND DESCRIBED AS FOLLOWS TO-WIT:

BEGINNING AT A POINT ON THE NORTH EDGE OF THE RIGHT OF WAY OF THE GAASLAND ROAD WHICH LIES 278.8 FEET SOUTH AND 1863.3 FEET WEST OF THE QUARTER CORNER BETWEEN SECTIONS 8 AND 9, TOWNSHIP 37 NORTH, RANGE 4 EAST. OF THE W.M. THENCE EASTERLY ALONG THE NORTH EDGE OF THE RIGHT OF WAY TO THE WEST LINE OF THE GAASLAND PROPERTY; THENCE DUE NORTH TO A POINT ON THE EAST AND WEST CENTER LINE OF SECTION 8; THENCE SOUTH 88°13’ EAST 1042.01 FEET TO THE QUARTER CORNER BETWEEN SECTIONS 8 AND 9; THENCE NORTH 200 FEET; THENCE DUE EAST TO THE SHORE OF LAKE WHATCOM; THENCE NORTHERLY ALONG THE SHORE OF LAKE WHATCOM TO A POINT ON A HIGH ROCK DIRECTLY OVER THE EDGE OF LAKE WHATCOM; THENCE SOUTH 33° WEST 2510 FEET; THENCE SOUTH 17° WEST 680 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH A PERPETUAL EASEMENT FOR INGRESS AND EGRESS TO THE ABOVE-DESCRIBED PROPERTY OVER A STRIP OF LAND 60 FEET IN WIDTH FROM THE SOUTHWEST CORNER OF THE ABOVE-DESCRIBED PROPERTY, SOUTHERLY AND WESTERLY TO LAKE WHATCOM BOULEVARD, ADJOINING THE SAID GAASLAND ROAD ON THE NORTHERLY AND WESTERLY SIDES THEREOF AS NOW SURVEYED AND LAID OUT.

Situate in the County of Whatcom, State of Washington.

Assessor Parcel No. 370408 490372 0000 (hereinafter the “Property”); and

WHEREAS, Grantee desires a perpetual easement for the placement, installation, construction, operation, maintenance, improvement, replacement, and repair of two (2) water reservoirs, with the necessary and usual appurtenances, through, over, and across that portion of the Property as legally described in Exhibit A and depicted in Exhibit B attached hereto; and

WHEREAS, the foregoing recitals are a material part of this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

I. EASEMENT

1.1 Perpetual Easement Grant. Grantor, for valuable consideration receipt of which is hereby acknowledged, does by these presents grant and convey unto the Grantee:

- a. A perpetual, non-exclusive easement (“Reservoir Easement”) for the placement, installation, construction, operation, maintenance, improvement, replacement, and repair of two (2) water reservoirs, with the necessary and usual appurtenances (“District Facilities”), along with ingress and egress to District Facilities, through, over, and across the Property, generally as described on **Exhibits E-1 and E-3** and depicted on **Exhibits E-2 and E-4**, attached hereto and incorporated herein by reference.
- b. The District may install and maintain fencing around District Facilities for security purposes. Otherwise, no fencing or structure unrelated to the District Facilities will be constructed or maintained by Grantor or Grantee within or along the Reservoir Easement. Further, the Grantee will not use the Reservoir Easement for outdoor storage.
- c. Grantor shall take no action that would interfere with the District’s ability to use the Reservoir Easement. This includes, but is not limited to, constructing or maintaining structures in the Reservoir Easement, allowing the growth of large vegetation in the Reservoir Easement, and blocking District access to the Reservoir Easement. If any structures, vegetation, or other objects prevent the District from fully using the Reservoir Easement for any purposes stated herein, Grantor shall remove said structures, vegetation, or other objects immediately and at its own expense.
- d. All construction and other work done by the Grantee on the Reservoir Easement shall be performed with only reasonably necessary damage to the surface of the premises. Upon completion of any work by the District under this Easement Replacement Agreement, the District shall restore the surface of the servient property to as close to its prior condition as is reasonably feasible, consistent with the District’s use of the Reservoir Easement. Notwithstanding such surface restoration, the District shall have no obligation to replace or restore trees, brush or other vegetation, and specifically reserves the right to keep the Reservoir Easement clear of all trees, brush, or other vegetation which, in its sole discretion and judgment, may interfere with the District’s access, use, operation, or maintenance of District Facilities.
- e. Grantor shall construct no improvements on the Reservoir Easement without the express written consent of the Grantee. Grantor shall not perform or permit blasting, digging, tunneling or other forms of construction activity on the property that would disturb the compaction or unearth Grantee’s utilities within the Reservoir Easement, damage the utilities, or endanger the lateral support to such utilities. No blasting shall be done within fifteen (15) feet of the Reservoir Easement.

1.2 Purpose. The Reservoir Easement granted herein shall provide the Grantee with the perpetual and unlimited right, to enter upon the Reservoir Easement at any and all times without incurring any legal obligation or liability therefor, for all District purposes including, without limitation, the placement, installation, construction, operation, maintenance, improvement, replacement, and repair of District Facilities.

1.3 Warrant. The Grantor warrants that the Grantor has good title to the Property and warrants the quiet enjoyment of the Reservoir Easement conveyed herein.

1.4 Firewood Removal. Any trees or wood removed from the Reservoir Easement during construction that is suitable for use as firewood shall be placed on the Property outside the Reservoir Easement for use by Grantor.

II. GENERAL PROVISIONS

2.1 Run with the Land. This Agreement entered into by the Parties, and the Reservoir Easement granted herein, shall be deemed to touch and concern the land, and shall, therefore, run with the land in perpetuity. The rights and obligations of the Parties shall inure to the benefit of and be binding upon their heirs, successors and assigns.

2.2 Indemnity.

2.2.1 Grantee Obligation. Grantee expressly agrees to indemnify and hold harmless the Grantor and those persons who were, are now, or shall be contractors, subcontractors, employees or agents thereof, from and against any and all claims, losses, liabilities, judgments and expenses (including reasonable attorneys' fees) and arising wholly or partially out of any negligent act, action, omission or default on the part of Grantee, its contractors, subcontractors, employees and agents which pertain to the use of the Reservoir Easement; except that, Grantee's indemnification and hold harmless obligation shall be proportionally reduced by any negligent act, omission, or default on the part of the Grantor, or Grantor's contractors, subcontractors, employees or agents.

2.2.2 Grantor Obligation. Grantor expressly agrees to indemnify and hold harmless the Grantee and those persons who were, are now, or shall be contractors, subcontractors, employees or agents thereof, from and against any and all claims, losses, liabilities, judgments and expenses (including reasonable attorneys' fees) and arising wholly or partially out of any negligent act, action, omission or default on the part of Grantor, its contractors, subcontractors, employees and agents which pertain to the use of the Reservoir Easement; except that, Grantor's indemnification and hold harmless obligation shall be proportionally reduced by any negligent act, omission, or default on the part of the Grantee, or Grantee's contractors, subcontractors, employees or agents.

2.3 Expenses and Attorney's Fees. The prevailing Party in any action brought to enforce any terms and conditions of this Agreement shall be entitled to the recovery of their reasonable attorney's fees, costs and expenses.

2.4 Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Venue for any lawsuit filed shall lie exclusively in Whatcom County Superior Court.

2.5 Nonwaiver of Breach. Failure of either Party at any time to require performance of any provision of this Agreement shall not limit such Party's right to enforce such provision, nor shall any waiver of any breach of any provision of this Agreement constitute a waiver of any succeeding breach of such provision or a waiver of such provision itself.

2.6 Complete Agreement – Modification Must be in Writing. This Agreement constitutes the entire agreement between the Parties as to the matters contained herein. No oral or written statements made by either Party prior to or following entry of this Agreement shall be considered a part of this Agreement unless expressly incorporated herein in writing. This Agreement may be modified in writing only, upon mutual agreement of the Parties.

2.7 Counterparts. This Agreement may consist of two or more separately ratified counterparts, each of which shall constitute a duplicate original of this Agreement.

2.8 Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

GRANTOR:
THE FIRS BIBLE AND MISSIONARY
CONFERENCE

GRANTEE:
LAKE WHATCOM WATER AND SEWER
DISTRICT

By: Lem Usita
Its: Executive Director

By: Justin Clary
Its: General Manager

STATE OF WASHINGTON)
) §
COUNTY OF WHATCOM)

I certify that I know or have satisfactory evidence that Justin L. Clary signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the General Manager of the Lake Whatcom Water and Sewer District to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal this ____ day of _____, 2023.

NOTARY PUBLIC in and for the state of Washington.
My commission expires: _____

STATE OF WASHINGTON)
) §
COUNTY OF WHATCOM)

I certify that I know or have satisfactory evidence that Lem Usita signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Executive Director of the Firs Bible and Missionary Conference to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal this ____ day of _____, 2023.

NOTARY PUBLIC in and for the state of Washington.
My commission expires: _____

EXHIBIT E-1

AFFECTING T.P.N. 370408 490372 0000

AN EASEMENT FOR INSTALLATION AND MAINTENANCE OF WATER TANK RESERVOIRS UNDER, OVER, AND ACROSS A PORTION OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 8, TOWNSHIP 37 NORTH, RANGE 4 EAST MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF LOT 125 IN THE PLAT OF SUDDEN VALLEY, DIVISION NO. 7, PER THE MAP THEREOF RECORDED IN VOLUME 10 OF PLATS, PAGE 63, RECORDS OF WHATCOM COUNTY, WASHINGTON, SAID CORNER BEING MARKED BY A 5/8" REBAR MONUMENT WITH A YELLOW PLASTIC CAP STAMPED "UNDERHILL 18927";

THENCE SOUTH 36°28'30" WEST ALONG THE EASTERN BOUNDARY OF SAID LOT, 123.13 FEET TO THE SOUTHEAST CORNER, SAID CORNER BEING MARKED THE SAME AS THE AFOREMENTIONED NORTHEAST CORNER;

THENCE NORTH 84°29'50" EAST, 272.12 FEET TO THE **TRUE POINT OF BEGINNING** OF THE EASEMENT DESCRIBED HEREIN;

THENCE NORTH 63°36'20" EAST, 200.58 FEET;

THENCE NORTH 24°17'33" WEST, 88.22 FEET;

THENCE SOUTH 68°15'46" WEST, 64.48 FEET;

THENCE SOUTH 65°37'33" WEST, 87.40 FEET;

THENCE SOUTH 59°01'13" WEST, 58.97 FEET;

THENCE SOUTH 30°29'54" EAST, 92.00FEET TO THE **TRUE POINT OF BEGINNING** AND THE **TERMINUS** OF THE EASEMENT DESCRIBED HEREIN;

CONTAINS 19,215 SQUARE FEET MORE OR LESS

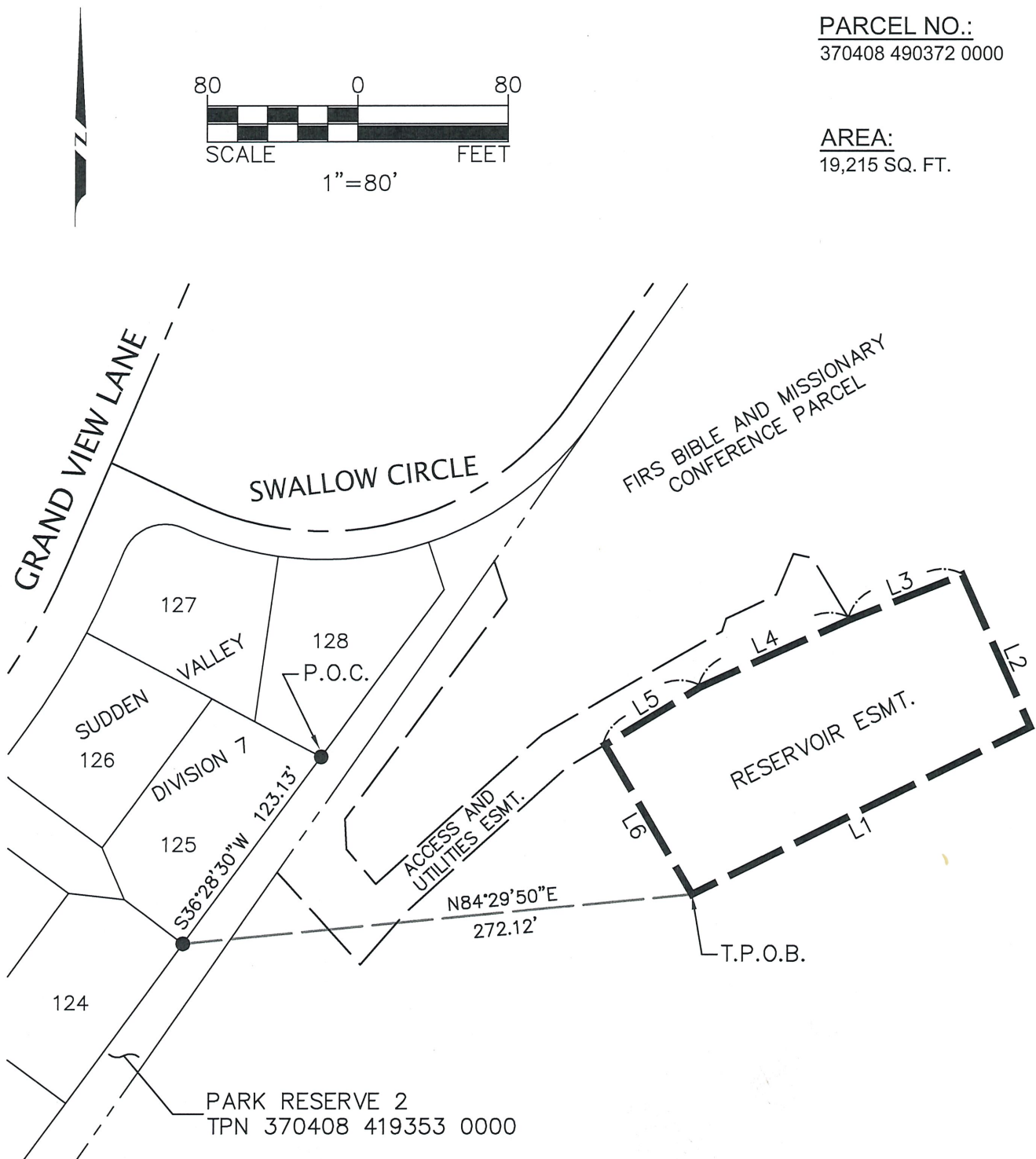
SITUATE IN WHATCOM COUNTY, WASHINGTON.



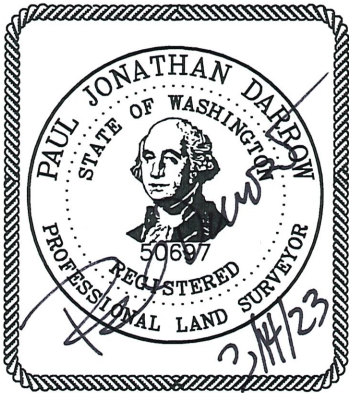
EXHIBIT E-2

PARCEL NO.:
370408 490372 0000

AREA:
19,215 SQ. FT.



Line Table		
Line #	Direction	Length
L1	N63°36'20"E	200.58'
L2	N24°17'33"W	88.22'
L3	S68°15'46"W	64.48'
L4	S65°37'33"W	87.40'
L5	S59°01'13"W	58.97'
L6	S30°29'54"E	92.00'



WILSON
ENGINEERING

WILSON ENGINEERING, LLC
805 DUPONT STREET
BELLINGHAM, WA 98225
(360) 733-6100 * FAX (360) 647-9061
www.wilsonengineering.com

RESERVOIR EASEMENT

BELLINGHAM WASHINGTON
Within the S 1/2, NE 1/4, Sec. 8,
Twp. 37 N., Rge. 4 E., W.M.

DATE
3/13/23

JOB NO.
21130

EXHIBIT E-3

AFFECTING T.P.N. 370408 490372 0000

A VARIABLE WIDTH EASEMENT FOR INGRESS, EGRESS, AND UTILITIES UNDER, OVER, AND ACROSS A PORTION OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 8, TOWNSHIP 37 NORTH, RANGE 4 EAST MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF LOT 125 IN THE PLAT OF SUDDEN VALLEY, DIVISION NO. 7, PER THE MAP THEREOF RECORDED IN VOLUME 10 OF PLATS, PAGE 63, RECORDS OF WHATCOM COUNTY, WASHINGTON, SAID CORNER BEING MARKED BY A 5/8" REBAR MONUMENT WITH A YELLOW PLASTIC CAP STAMPED "UNDERHILL 18927";

THENCE SOUTH 36°28'30" WEST ALONG THE EASTERN BOUNDARY OF SAID LOT, 123.13 FEET TO THE SOUTHEAST CORNER OF SAID LOT, SAID CORNER BEING MARKED THE SAME AS THE AFOREMENTIONED NORTHEAST CORNER;

THENCE NORTH 52°56'19" EAST, 62.63 FEET TO A POINT ON THE BOUNDARY COMMON TO THE PARK RESERVE TRACT PER THE AFOREMENTIONED DIVISION NO. 7 PLAT AND THE FIRS BIBLE & MISSIONARY CONFERENCE PARCEL, SAID POINT BEING THE **TRUE POINT OF BEGINNING** OF THE EASEMENT DESCRIBED HEREIN;

THENCE SOUTH 42°13'26" EAST, 65.88 FEET;

THENCE NORTH 41°32'20" EAST, 37.86 FEET;

THENCE NORTH 48°04'15" EAST, 113.46 FEET;

THENCE NORTH 59°01'13" EAST, 82.77 FEET;

THENCE NORTH 65°37'33" EAST, 87.40 FEET;

THENCE NORTH 31°21'22" WEST, 38.14 FEET;

THENCE NORTH 77°44'22" WEST, 10.36 FEET;

THENCE SOUTH 23°00'41" WEST, 23.48 FEET;

THENCE SOUTH 64°25'35" WEST, 29.37 FEET;

THENCE SOUTH 18°16'54" WEST, 7.14 FEET;

THENCE SOUTH 60°15'22" WEST, 109.97 FEET;

THENCE SOUTH 48°04'15" WEST, 118.99 FEET;

THENCE NORTH 40°04'25" WEST, 24.39 FEET;

THENCE NORTH 02°35'43" WEST, 15.92 FEET;

THENCE NORTH 36°24'24" EAST, 144.67 FEET;

THENCE NORTH 18°32'20" WEST, 21.39 FEET TO THE AFOREMENTIONED COMMON BOUNDARY;

THENCE SOUTH 34°54'43" WEST ALONG SAID COMMON BOUNDARY, 201.14 FEET TO THE **TRUE POINT OF BEGINNING** AND THE **TERMINUS** OF THE EASEMENT DESCRIBED HEREIN;

CONTAINS 11,692 SQUARE FEET MORE OR LESS;

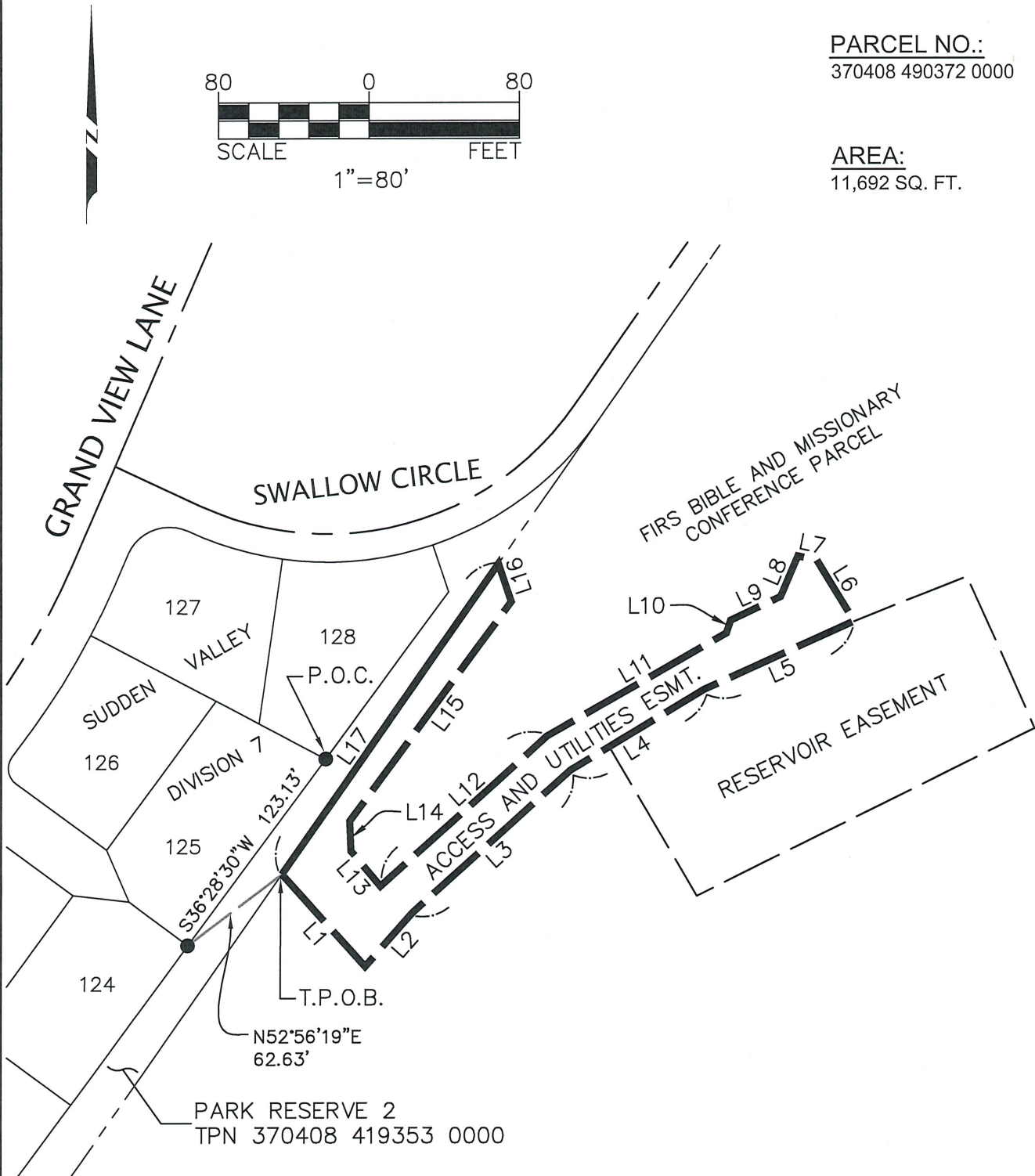
SITUATE IN WHATCOM COUNTY, WASHINGTON.



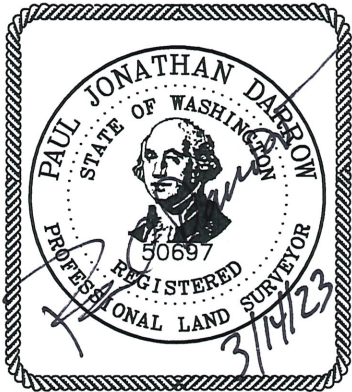
EXHIBIT E-4

PARCEL NO.:
370408 490372 0000

AREA:
11,692 SQ. FT.



Line Table					
Line #	Direction	Length	Line #	Direction	Length
L1	S42°13'26"E	65.88'	L10	S18°16'54"W	7.14'
L2	N41°32'20"E	37.86'	L11	S60°15'22"W	109.97'
L3	N48°04'15"E	113.46'	L12	S48°04'15"W	118.99'
L4	N59°01'13"E	82.77'	L13	N40°04'25"W	24.39'
L5	N65°37'33"E	87.40'	L14	N2°35'43"W	15.92'
L6	N31°21'22"W	38.14'	L15	N36°24'24"E	144.67'
L7	N77°44'22"W	10.36'	L16	N18°32'20"W	21.39'
L8	S23°00'41"W	23.48'	L17	S34°54'43"W	201.14'
L9	S64°25'35"W	29.37'			



WILSON
ENGINEERING

WILSON ENGINEERING, LLC
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BELLINGHAM, WA 98225
(360) 733-6100 * FAX (360) 647-9061
www.wilsonengineering.com

ACCESS & UTILITIES EASEMENT

BELLINGHAM WASHINGTON
Within the S 1/2, NE 1/4, Sec. 8,
Twp. 37 N., Rge. 4 E., W.M.

DATE
3/13/23

JOB NO.
21130

EXHIBIT B OF EASEMENT REPLACEMENT AGREEMENT

TEMPORARY CONSTRUCTION EASEMENT

AFTER RECORDING RETURN TO:

LAKE WHATCOM WATER & SEWER DISTRICT
1220 Lakeway Drive
Bellingham, WA 98229

DOCUMENT TITLE:

TEMPORARY CONSTRUCTION AGREEMENT

REFERENCE NUMBER OF RELATED DOCUMENT:

AF# _____
AF# 1106257

GRANTOR:

The Firs Bible and Missionary Conference

GRANTEE:

Lake Whatcom Water and Sewer District, a Washington municipal corporation

ABBREVIATED LEGAL DESCRIPTION:

PTN E 1/2, S8, T37N, R4E OF W.M.
PTN NW 1/4, S9, T37N, R4E OF W.M.

ASSESSOR'S TAX PARCEL NUMBER(S):

370408 490372 0000

TEMPORARY CONSTRUCTION EASEMENT AGREEMENT

THIS GRANTOR, The Firs Bible & Missionary Conference, in consideration of the terms and conditions specified herein, grants and conveys to the GRANTEE, the Lake Whatcom Water and Sewer District, a Washington municipal corporation, a temporary easement for construction purposes as described herein ("Temporary Construction" or "TC" Easement) over, under and across the described real property in Exhibit TC-1 hereto, situated in the County of Whatcom, State of Washington, depicted in Exhibit TC-2 hereto (hereinafter referred to as "Grantor's Property").

This Temporary Construction Easement has been granted under and shall be governed by the following terms and conditions.

1. Purpose. This grant shall provide the Grantee with a temporary construction easement for construction, demolition, inspection, alteration, staging of excavated materials and ingress and egress over, under, and across Grantor's Property for the purposes of constructing two new water reservoirs and demolishing an existing reservoir (the "Project") all located on a portion of Grantor's Property. Grantee hereby agrees that it shall not use the Grantor's Property in any manner that is a violation of local, state, or federal law. The Grantee or its designees shall be solely responsible for all aspects of the Project.

2. Payment. This Grantor grants and conveys the Temporary Construction Easement for and in consideration of public interest and other good and valuable consideration as set forth in a certain Easement Replacement Agreement executed between the parties on _____, 2023.

3. Commencement of Term of Agreement. The Temporary Construction Easement term shall commence on the date written below.

4. Termination/Renewal. This Temporary Construction Easement shall terminate twelve (12) months after commencement of construction work on the Project; provided that, Grantee may extend the term for up to one (1) additional twelve (12) month increments by providing fifteen (15) days written notice to the Grantor prior to expiration of the term or extended term.

5. Restoration. Upon completion of the Project, Grantee shall repair any damage caused to Grantor's Property from performing the Project work and leave the Grantor's Property in a clean and tidy condition as nearly as reasonably feasible to the condition in which it existed on the commencement of construction of the Project.

6. Insurance. Grantee shall procure and maintain in force, without cost or expense to Grantor, on or before the commencement date of this Temporary Construction Easement and throughout the term or as long as Grantee remains in possession of the Temporary Construction Easement, a broad form comprehensive general liability policy of insurance covering bodily injury

and property damage, with respect to the use and occupancy of the Grantor's Property with liability limits of not less than \$2,000,000.00 per occurrence. Grantor shall be named as an additional insured on all such policies, which policies shall in addition provide that they may not be canceled or modified for any reason without fifteen (15) days prior written notice to Grantor. Grantee shall provide Grantor with a certificate or certificates of such insurance within ten (10) days of the execution of this Temporary Easement.

7. Hold Harmless. Grantor and Grantee shall indemnify and hold each other harmless from any and all damages and litigation expenses resulting from any claims or causes of action for injury to persons or property arising from any acts or omissions of either party, their employees, or authorized agents, to the extent and in the same proportion as employees or authorized agents are determined to be at fault.

8. Run with the Land. This Temporary Easement and all rights and obligations described herein shall be deemed to touch and concern the land, shall run with the land during its entire term, and shall be binding on all parties having or acquiring any right, title, or interest in the land described herein or any part thereof.

9. Assignment. Grantee shall not assign, convey or transfer this Temporary Easement or any interest herein, without prior written consent of Grantor.

10. Notice. Any notice, declaration, demand or communication to be given by a party to this Temporary Easement to the other shall be in writing and transmitted to the other party by personal service or certified U.S. mail, return receipt requested, postage fully prepaid, addressed as follows:

To Grantor:

The Firs Bible & Missionary Conference
Attn: Executive Director
4605 Cable Street
Bellingham, WA 98229

To Grantee:

Lake Whatcom Water & Sewer District
Attn: General Manager
1220 Lakeway Drive
Bellingham, WA 98229

11. Complete Agreement/Modification. This Temporary Construction Easement and the terms and conditions herein represents a complete agreement between the parties. There are no other representations, warranties, covenants, agreements, collateral agreements, or other conditions affecting this Temporary Construction Easement other than those set forth herein. Modification of this Temporary Construction Easement or any of its terms and conditions shall be binding upon the parties only if they are in writing and fully executed by the parties.

12. Applicable Law/Construction/Venue. This Temporary Construction Easement Agreement shall be governed and interpreted in accordance with the laws of the State of Washington. In the event this Temporary Construction Easement is in conflict with the provisions of any law or statutes governing the subject matter hereof, such law or statute only to the extent of

such conflict shall be controlling. The venue of any action brought to interpret or enforce any provision of this Temporary Construction Easement shall be laid in Whatcom County, Washington.

13. Recording. This Temporary Construction Easement Agreement shall be recorded at the expense of Grantee. Upon completion of construction and termination of this Temporary Construction Agreement or any extension hereof, Grantee at its expense shall record a termination hereof.

14. Counterparts. This Temporary Construction Easement Agreement may consist of two or more separately ratified counterparts, each of which shall constitute a duplicate original of this grant and all which together will constitute a single grant.

Dated this _____ day of _____, 2023.

GRANTOR:

THE FIRS BIBLE & MISSIONARY CONFERENCE

By: Lem Usita
Its: Executive Director

GRANTEE:

LAKE WHATCOM WATER & SEWER DISTRICT

By: Justin Clary
Its: General Manager

STATE OF WASHINGTON)
) ss.
COUNTY OF WHATCOM)

On this ____ day of _____, 2023, before me a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Lem Usita, the Executive Director of **THE FIRS BIBLE & MISSIONARY CONFERENCE**, who acknowledged said instrument to be the free and voluntary act and deed of said company for the uses and purposes therein mentioned and stated on oath that they were authorized to execute this instrument on behalf of said company.

WITNESS my hand and official seal hereto affixed the day and year first written above.

Notary Public in and for the State of Washington
Residing at: _____
My commission expires: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF WHATCOM)

On this ____ day of _____, 2023, before me a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Justin Clary, the General Manager of the **LAKE WHATCOM WATER & SEWER DISTRICT**, a Washington municipal corporation, who acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned and stated on oath that he was authorized to execute this instrument on behalf of said corporation.

WITNESS my hand and official seal hereto affixed the day and year first written above.

Notary Public in and for the State of Washington
Residing at: _____
My commission expires: _____

EXHIBIT TC-1

AFFECTING T.P.N. 370408 490372 0000

Temporary Construction Easement #1

A TEMPORARY CONSTRUCTION EASEMENT UNDER, OVER, AND ACROSS A PORTION OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 8, TOWNSHIP 37 NORTH, RANGE 4 EAST MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF LOT 125 IN THE PLAT OF SUDDEN VALLEY, DIVISION NO. 7, PER THE MAP THEREOF RECORDED IN VOLUME 10 OF PLATS, PAGE 63, RECORDS OF WHATCOM COUNTY, WASHINGTON, SAID CORNER BEING MARKED BY A 5/8" REBAR MONUMENT WITH A YELLOW PLASTIC CAP STAMPED "UNDERHILL 18927", FROM WHICH THE SOUTHEAST CORNER OF SAID LOT, BEING MARKED THE SAME AS THE AFOREMENTIONED NORTHEAST CORNER, BEARS SOUTH 36°28'30" WEST, 123.13 FEET;

THENCE SOUTH 25°48'12" WEST, 101.22 FEET TO THE **TRUE POINT OF BEGINNING** OF THE EASEMENT DESCRIBED HEREIN;

THENCE SOUTH 26°47'57" EAST, 127.66 FEET;

THENCE NORTH 64°07'50" EAST, 111.96 FEET;

THENCE NORTH 26°47'57" WEST, 68.38 FEET;

THENCE NORTH 41°34'00" EAST, 87.13 FEET;

THENCE NORTH 26°47'57" WEST, 82.88 FEET;

THENCE SOUTH 47°35'22" WEST, 200.32 FEET TO THE **TRUE POINT OF BEGINNING** AND THE **TERMINUS** OF THE EASEMENT DESCRIBED HEREIN;

CONTAINS 23,240 SQUARE FEET MORE OR LESS

SITUATE IN WHATCOM COUNTY, WASHINGTON.



Temporary Construction Easement #2

A TEMPORARY CONSTRUCTION EASEMENT UNDER, OVER, AND ACROSS A PORTION OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 8, TOWNSHIP 37 NORTH, RANGE 4 EAST MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF LOT 125 IN THE PLAT OF SUDDEN VALLEY, DIVISION NO. 7, PER THE MAP THEREOF RECORDED IN VOLUME 10 OF PLATS, PAGE 63, RECORDS OF WHATCOM COUNTY, WASHINGTON, SAID CORNER BEING MARKED BY A 5/8" REBAR MONUMENT WITH A YELLOW PLASTIC CAP STAMPED "UNDERHILL 18927", FROM WHICH THE SOUTHEAST CORNER OF SAID LOT, BEING MARKED THE SAME AS THE AFOREMENTIONED NORTHEAST CORNER, BEARS SOUTH 36°28'30" WEST, 123.13 FEET;

THENCE NORTH 59°06'42" EAST, 349.91 FEET TO THE **TRUE POINT OF BEGINNING** OF THE EASEMENT DESCRIBED HEREIN;

THENCE SOUTH 43°23'02" EAST, 109.30 FEET;

THENCE NORTH 46°36'58" EAST, 213.21 FEET;

THENCE NORTH 43°23'02" WEST, 109.30 FEET;

THENCE SOUTH 46°36'58" WEST, 213.21 FEET TO THE **TRUE POINT OF BEGINNING** AND THE **TERMINUS** OF THE EASEMENT DESCRIBED HEREIN;

CONTAINS 23,305 SQUARE FEET MORE OR LESS

SITUATE IN WHATCOM COUNTY, WASHINGTON.



Temporary Construction Easement #3

A CIRCULAR TEMPORARY CONSTRUCTION EASEMENT 100.00 FEET IN DIAMETER UNDER, OVER, AND ACROSS A PORTION OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 8, TOWNSHIP 37 NORTH, RANGE 4 EAST MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF LOT 125 IN THE PLAT OF SUDDEN VALLEY, DIVISION NO. 7, PER THE MAP THEREOF RECORDED IN VOLUME 10 OF PLATS, PAGE 63, RECORDS OF WHATCOM COUNTY, WASHINGTON, SAID CORNER BEING MARKED BY A 5/8" REBAR MONUMENT WITH A YELLOW PLASTIC CAP STAMPED "UNDERHILL 18927", FROM WHICH THE SOUTHEAST CORNER OF SAID LOT, BEING MARKED THE SAME AS THE AFOREMENTIONED NORTHEAST CORNER, BEARS SOUTH 36°28'30" WEST, 123.13 FEET;

THENCE SOUTH 55°05'29" EAST, 615.21 FEET MORE OR LESS TO A LOCATION HISTORICALLY KNOWN AS THE "OLD LOG LANDING", BEING ADJACENT TO A FORK IN A GRAVEL ACCESS ROAD, SAID ROAD NOMINALLY DESCRIBED IN THAT CERTAIN EASEMENT RECORDED UNDER AUDITOR'S FILE NUMBER 920414201, AND SAID "OLD LOG LANDING" BEING THE CENTER POINT OF THE AFOREMENTIONED CIRCULAR 100.00-FOOT DIAMETER EASEMENT AND THE **TRUE POINT OF BEGINNING** AND THE **TERMINUS** OF THE EASEMENT DESCRIBED HEREIN;

CONTAINS 7,854 SQUARE FEET MORE OR LESS

SITUATE IN WHATCOM COUNTY, WASHINGTON.



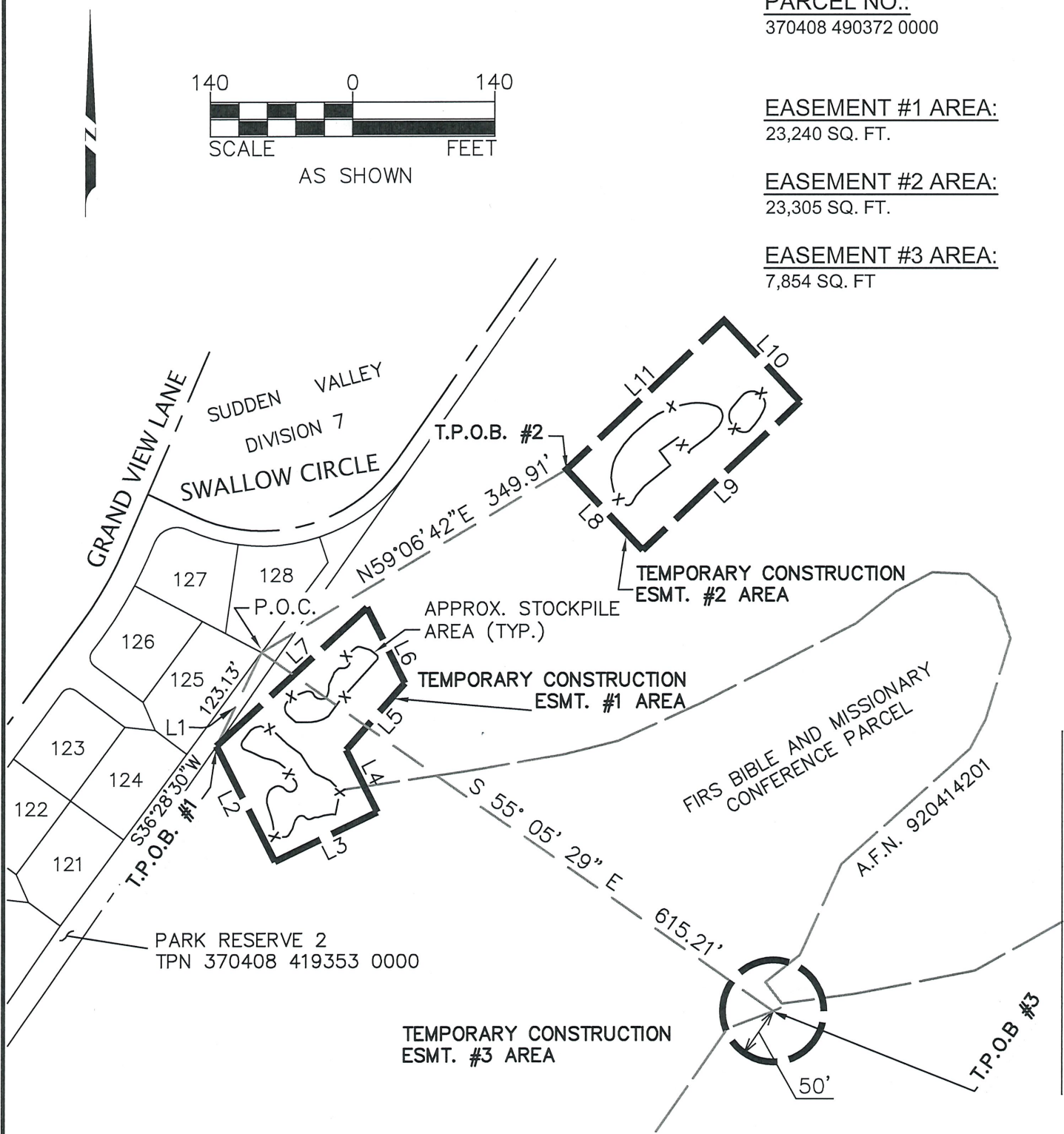
EXHIBIT TC-2

PARCEL NO.:
370408 490372 0000

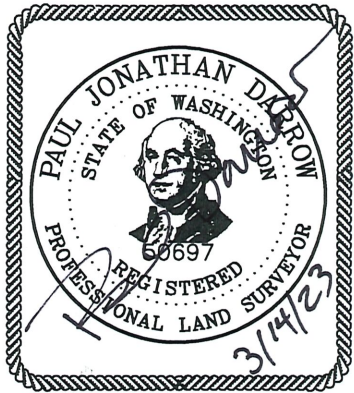
EASEMENT #1 AREA:
23,240 SQ. FT.

EASEMENT #2 AREA:
23,305 SQ. FT.

EASEMENT #3 AREA:
7,854 SQ. FT



Line Table			Line Table		
Line #	Direction	Length	Line #	Direction	Length
L1	S25°48'12"W	101.22'	L7	S47°35'22"W	200.32'
L2	S26°47'57"E	127.66'	L8	S43°23'02"E	109.30'
L3	N64°07'50"E	111.96'	L9	N46°36'58"E	213.21'
L4	N26°47'57"W	68.38'	L10	N43°23'02"W	109.30'
L5	N41°34'00"E	87.13'	L11	S46°36'58"W	213.21'
L6	N26°47'57"W	82.88'			



WILSON
ENGINEERING

WILSON ENGINEERING, LLC
805 DUPONT STREET
BELLINGHAM, WA 98225
(360) 733-6100 * FAX (360) 647-9061
www.wilsonengineering.com

TEMPORARY CONSTRUCTION EASEMENT

BELLINGHAM

WASHINGTON

Within the S 1/2, NE 1/4, Sec. 8,
Twp. 37 N., Rge. 4 E., W.M.

DATE
3/13/23

JOB NO.
21130

EXHIBIT C OF EASEMENT REPLACEMENT AGREEMENT

Environmental Questionnaire

1. Has the property ever been used as a disposal site for any waste products?

Answer:

2. Has the property ever been landfilled? Were hazardous wastes used as a fill?

Answer:

3. What were all the past industrial uses of the property?

Answer:

4. Are there any visible signs of potential problems, such as ground discoloration or standpipes to underground tanks?

Answer:

5. What wastes have the current and past owners and their tenants generated? How were they disposed of, whether on site or off site?

Answer:

6. Was the Seller required to register any underground tanks with the designated state agency by May 8, 1986, as required by the Resource Conservation and Recovery Act? Did the Seller register all such tanks?

Answer:

7. Are there any environmental enforcement proceedings now affecting the property, including consent decrees, administrative actions, or citizens/ suits?

Answer:

8. Is the property listed on any state or federal priority list for hazardous waste cleanup?

Answer:

9. What environmental permits does the Seller now hold?

Answer:

10. Have any environmental audits been performed?

Answer:

11. Are there materials incorporated in any buildings such as asbestos, PCBs, or foam insulation that could be a hazard to workers?

Answer:

12. Do all drains connect to the sanitary sewer system?

Answer:

GRANTOR:

By: _____

Date: _____

Division 7 Reservoirs Permanent Utility Easement

Grantee: Lake Whatcom Water and Sewer District

Grantor: The Firs Bible & Missionary Conference

Land	Area (sq. ft.)	Unit Value (\$/sq. ft.) ¹	Total Value
New (to be acquired)			
Reservoirs Site	19,215	\$ 1.640	\$ 31,512.60
Access/underground Utilities	11,692	\$ 0.911	\$ 10,651.41
Existing (transfer to Grantor following construction/site restoration)			
Reservoir Site	10,545	\$ 1.822	\$ 19,212.99
TOTAL			\$ 22,951.02

¹ Unit values based upon appraised values prepared by the Appraisal Group of the Northwest dated August 26, 2022 (pg 62):

12. SUMMARY OF APPRAISAL CONCLUSIONS

Indicated Value Before Acquisition						
Highest and Best Use	Type	Residential Development	Size	Unit Value		
Land Value Before						
Fee Land		4,609,955	SF	\$1.822	per SF	\$ 8,400,000
Based on a value of \$400,000 per potential lot						
Total Area		4,609,955	SF			Total Land (Rounded) \$ 8,400,000
Improvements Value Before						
Total Improvements (Rounded)						\$ -
Total Subject Value Before Project						\$ 8,400,000
Indicated Subject Value After Project						
Highest and Best Use	Type	Residential Development	Size	Unit Value		
Land Value After						
Fee Land		4,579,887	SF	\$1.822	per SF	\$ 8,344,554
Newly Encumbered Land		18,163	SF	\$0.1822	per SF	\$ 3,309
Newly Encumbered Land		11,905	SF	\$0.911	per SF	\$ 10,845
Total Area		4,609,955	SF			Total Land (Rounded) \$ 8,358,700
Improvements Value After						
Not Applicable						\$ -
Total Improvements (Rounded)						\$ -
Less Damages and/or Cost to Cure, if any						
Not Applicable						\$ -
Total Damages and Cost to Cure (Rounded)						\$ -
Total Subject Value After Project						\$ 8,358,700
Estimated Value Allocation of Rights Acquired						
Land						
Newly Encumbered Land		18,163	SF	\$1.640	per SF	\$ 29,783
Newly Encumbered Land		11,905	SF	\$0.911	per SF	\$ 10,845
Total						Total (Rounded) \$ 40,628
Total (Rounded)						\$ 42,000
Improvements						
0						\$ -
Total Improvements						\$ -
Damages and/or Cost to Cure, if Any						
Not Applicable						\$ -
Total Damages and Cost to Cure (Rounded)						\$ -
Benefits						
Not Applicable						\$ -
Total Estimated Compensation (rounded)						\$ 42,000