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Kathy Hill, Skagit County Auditor  
6/30/2000 Page 1 of 26 11:22:29AM

When recorded return to:  
Skagit County Farmland Legacy Program  
County Administration Building  
700 South Second Street, Rm. 202  
Mount Vernon, WA 98273

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P87460E  
LAND TITLE COMPANY OF SKAGIT COUNTY

## GRANT DEED OF CONSERVATION EASEMENT

Grantor: Triple J Enterprises, a Washington General Partnership consisting of Larry R. Jensen, Michael L. Jensen and Catherine L. Jensen

Grantee: Skagit County, Washington

### Legal Description

Abbreviated form: a portion of Sections 13 & 24, Township 34 North, Range 2 East W.M. and Sections 18 & 19, Township 34 North, Range 3 East, W.M.

Additional legal at Exhibit A.

Assessor's Tax Parcel Numbers: P20305, P20308, P20309, P20682, P20684, P20709, P20708, P20317, P20316, P20307, P22109, P22110, P22111, P22140, P22141, P22122, P22124

THIS GRANT DEED OF CONSERVATION EASEMENT ("Easement") is made this 27 day of June, 2000, by Triple J Enterprises, a Washington General Partnership consisting of Larry R. Jensen, Michael L. Jensen and Catherine L. Jensen, having an address at 15356 Produce Lane, Mount Vernon, WA 98273 collectively, (hereinafter referred to as "Grantor"), in favor of Skagit County, a political subdivision of the State of Washington, having an address at Skagit County Conservation Futures Program, c/o Skagit County Board of Commissioners, County Administration Building, 700 South Second Street, Room 202, Mount Vernon, WA 98273 (hereinafter referred to as "Grantee").

## I. RECITALS

A. Grantor is the sole owner in fee simple of that certain real property (the "Protected Property") in Skagit County, Washington, more particularly described in Exhibit A (legal description) and shown on Exhibit B (site plan), which are attached and incorporated into this Easement by this reference. The Protected Property is approximately 564.5 acres in size and is predominantly open farmland.

B. The Protected Property is of significant agricultural and natural value to Grantor, the people of Skagit County and the people of the State of Washington (collectively, "Conservation Values"). The Conservation Values include protection of Critical Areas as well as agricultural productivity.

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C. The Protected Property is zoned Agricultural Natural Resource Land under the Skagit County Zoning Ordinance. Skagit County Zoning Ordinance 14.04.110 states that the goal of the Agricultural Natural Resource Land zone is to "provide land for continued farming activities, conserve agricultural land, and reaffirm Agricultural use, activities and operations as the primary use of the district."

D. The Protected Property includes a Critical Areas, as designated by Skagit County, of approximately 9.53 acres. These Critical Areas are shown in Exhibit B.

E. The specific Conservation Values and characteristics of the Protected Property are further documented in an inventory of relevant features of the Protected Property, dated June 30, 2000, on file at the offices of Grantee and incorporated into this Easement by this reference ("Baseline Documentation.") The Baseline Documentation consists of reports, maps, photographs, and other documentation that provide, collectively, an accurate representation of the Protected Property at the time of this grant and which is intended to serve as an objective information baseline for monitoring compliance with the terms of this grant. Exhibit B, included as part of the Baseline Documentation, is a scaled site map delineating the location of all buildings, the existing developed area, and other key features and improvements on the site at the time of this grant including Critical Areas.

F. Grantor, as owner of the Protected Property, has the right to protect and preserve the Conservation Values of the Protected Property, and desires to transfer such rights to Grantee in perpetuity.

G. The foregoing recitals are incorporated into this Easement by this reference.

## II. CONVEYANCE AND CONSIDERATION

A. For the reasons stated above, in consideration of the mutual covenants, terms, conditions, and restrictions contained in this Easement, and in consideration of payment of \$450,062.50 by Grantee to Grantor, the receipt of which is acknowledged, Grantor hereby grants, conveys and warrants to Grantee a conservation easement in perpetuity over the Protected Property, consisting of certain rights in the Protected Property, as defined in this Easement, subject only to the restrictions contained in this Easement.

B. This conveyance is a conveyance of an interest in real property under the provisions of RCW 64.04.130.

C. Grantor expressly intends that this Easement run with the land and that this Easement shall be binding upon Grantor's personal representatives, heirs, successors, and assigns.

## III. PURPOSE

It is the purpose of this Easement to assure that the Protected Property will be retained forever for (1) agricultural productivity and use, to ensure no net loss of agricultural lands, and (2) protection of Critical Areas, and to prevent any use of, or activity on, the Protected Property that will significantly impair or interfere with the Conservation Values of the Protected Property (the "Purpose.") Grantor intends that this Easement will confine the use of, or activity on, the Protected Property to such uses and activities that are consistent with this Purpose. This Easement shall not be construed as affording to the general public physical access to the Protected Property.

## IV. RIGHTS CONVEYED TO GRANTEE

To accomplish the Purpose of this Easement, the following rights are conveyed to Grantee by this Easement:



A. **Protection.** To preserve and protect in perpetuity and to enhance by mutual agreement the Conservation Values of the Protected Property.

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B. **Access for Monitoring and Enforcement.**

1. To enter the Protected Property annually, at a mutually agreeable time and upon prior written notice to Grantor, for the purpose of making a general inspection to monitor compliance with this Easement.

2. To enter the Protected Property at such other times as are necessary if Grantee has a reason to believe that a violation of the Easement is occurring or has occurred, for the purpose of mitigating or terminating the violation and otherwise enforcing the provisions of this Easement. Entry into buildings on the Protected Property is permitted if the Grantee has reason to believe there are activities or uses in the buildings that are inconsistent with the purpose of the easement. Grantee agrees not to discuss or disclose information concerning propriety manufacturing, handling, packing processes observed on the Protected Property with private or public parties. Such entry shall be upon prior reasonable notice not less than 24 hours to Grantor, and Grantee shall not in any case unreasonably interfere with Grantor's use and quiet enjoyment of the Protected Property.

C. **Injunction and Restoration.** To enjoin any use of, or activity on, the Protected Property that is inconsistent with the Purpose of this Easement, including trespasses by members of the public, and to require or undertake the restoration of such areas or features of the Protected Property as may be damaged by uses or activities inconsistent with the provisions of this Easement, all in accordance with Section X.

D. **Enforcement.** To enforce the terms of this Easement, consistent with Section X.

E. **Assignment.** To assign, convey or otherwise transfer Grantee's interest in the Protected Property in accordance with Section XV.

## V. PROHIBITED USES AND ACTIVITIES

A. **General.** Any use of, or activity on, the Protected Property inconsistent with the Purpose of this Easement is prohibited, and Grantor acknowledges and agrees that it will not conduct, engage in or permit any such use or activity. Without limiting the generality of this subsection, the following uses of, or activities on, the Protected Property, though not an exhaustive list, are inconsistent with the Purpose of this Easement and shall be prohibited; except as expressly permitted in Section VI.

B. **Subdivision and Development Rights.** The legal division, subdivision, or partitioning of the Protected Property is prohibited; except that boundary line adjustments are permitted; and furthermore, that portion of the Protected Property commonly referred to as the "Downey Farm" and legally described in Exhibit A of the Memorandum of Option to Purchase, dated May 27, 1994 between Triple J Enterprises and Hayton Farms, may be divided or partitioned from the Protected Property. However, no further legal division, subdivision, or partitioning shall be allowed unless it is determined that such division, subdivision, or partitioning meets the following conditions: 1) found to be consistent with the purpose of the easement; 2) does not result in the creation of any parcel(s) less than forty acres in size; and 3) boundaries of the newly created parcel(s) follow existing or logical field boundaries. In the exercise of this discretionary approval, the Grantee shall not unreasonably withhold its approval. Except as provided for in Section VI.B., Grantor shall not exercise its development rights in the Protected Property, transfer such development rights to any other portion of the Protected Property as it is now or hereafter may be bounded or described or to any other property adjacent to the Protected Property or otherwise, nor use such development rights or the area of the Protected Property for the purpose of calculating permissible lot yield of the Protected Property or other property.



C. **Construction.** The placement or construction of any residential buildings, structures, or other residential improvements of any kind is prohibited, except as expressly permitted in Section VIB, and the placement or construction of any commercial or industrial buildings, structures, or other improvements of any kind is prohibited, except as permitted by the Skagit County Code regarding Agricultural Natural Resource Land, or successor provision and consistent with the terms of this Easement.

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D. **Impervious surface.** The total area covered by structures of any kind and impervious surfaces such as asphalt, concrete or gravel shall be limited to 5% of the area of the Protected Property. Area covered by structures, but not including structures used for drainage or mining purposes, shall be limited to the following areas of the Protected Property, as described by tax parcel numbers at the time of the easement, are: P20682, P20708, P22140, P20684, P20709, P22141, P20305, and P20308. For the purpose of this easement, crop covers, such as non-rigid covers over perennial crops, shall not be considered as an impervious surface.

E. **Recreation.** The following forms of recreation are prohibited on the Protected Property: golf courses; commercial use of motorized or mechanized recreational vehicles such as motorcycles, snowmobiles and dune buggies; commercial overnight camping; athletic fields; use of the property for any commercial public recreation; and other developed recreational uses of the property which require special buildings, structures, or facilities. The establishment and operation of domestic animal petting areas, wagon and pony rides or other closely related activities designed and intended to support the retail sale of agricultural products produced or processed by the Grantor, may be permitted insofar as they are consistent with the Purpose and terms of this Easement. Also, undeveloped recreational uses, such as hunting and fishing, and the leasing of such uses for economic gain or to support the retail sale of agricultural products produced or processed by the Grantor, may be permitted insofar as they are consistent with the Purpose and terms of this Easement.

F. **Feedlots.** The establishment and maintenance of a commercial feedlot is prohibited. For the purposes of this Easement, a commercial feedlot is a confined area or facility within which the land is not grazed or cropped at least annually and which is used to receive livestock that has been raised off the Protected Property for feeding and fattening for market.

G. **Erosion or Water Pollution.** Any use or activity that causes or is likely to cause significant soil degradation or erosion or significant pollution of any surface or subsurface waters is prohibited. For the purpose of this easement, any use or activity conducted in accordance with applicable local, state or federal laws or the standards described in an approved Conservation Plan prepared by the Skagit Conservation District or the Natural Resources Conservation Service shall not be considered as causing erosion or water pollution.

H. **Waste Disposal.** Except as expressly permitted in Section VI, the disposal or storage for commercial purposes of rubbish, garbage, debris, vehicles, abandoned equipment, parts thereof, or hazardous waste or material on the Protected Property is prohibited. Spreading of sludge, originating from municipal sewage treatment plants, is prohibited.

I. **Commercial Signs.** The placement of commercial signs, billboards, or other advertising material on the Protected Property is prohibited; except in connection with the on-site sale of agricultural products or other products and services produced or provided for on site, sale or lease of the Protected Property, or to state political opinions, or to state the conditions of access to the Protected Property.

J. **Mining.** The exploration for, or development and extraction of, minerals and hydrocarbons by any surface mining method or any other method that would significantly impair or interfere with the conservation values of the Property is prohibited. Prior to engaging in any mineral exploration, development, or extraction by any method not otherwise prohibited by this paragraph, Grantor must notify Grantee and submit a plan for Grantee's approval that provides for minimizing the adverse effects of the operation on the conservation values of the Property. In addition to such other measures as may be required to protect the conservation values of the Property, the plan must provide for: (1) concealing all facilities or otherwise locating them as to be compatible with existing topography and



landscape to the greatest practicable extent and (2) restoring any altered physical features of the land to their original state.

K. **Kennels.** Kennels as defined in the Skagit County Zoning Ordinance are prohibited.

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L. **Alteration of Critical Areas and Watercourses.** The draining or filling of watercourses or critical areas shown on Exhibit B, or any other action that would reduce the wetland or critical area, except for maintenance of drainage structures, is prohibited.

M. **Farm Worker Housing.** Construction or placement of farm worker housing is prohibited; provided that the existing single-unit farmworker housing unit, as described in the Baseline Documentation, may be maintained, renovated or replaced so long as occupancy is not increased.

## VI. PERMITTED USES AND ACTIVITIES

A. **General.** Grantor reserves for itself and its personal representatives, heirs, successors and assigns, all rights accruing from ownership of the Protected Property, including the right to engage in, or permit or invite others to engage in, any use of, or activity on, the Protected Property that is not inconsistent with the Purpose of the Easement and that is not prohibited by this Easement. Without limiting the generality of this subsection, Grantor specifically reserves for itself and its personal representatives, heirs, successors, and assigns, the following uses and activities.

B. **Residential Use.** Grantor may maintain, renovate, expand, replace or construct two (2) single-family residential buildings, structures, and other residential improvements on the Protected Property; provided that such construction is located within the existing developed or reserved area as delineated in Exhibit B. Prior to initiating any new construction, alteration or improvement which requires a development permit or approval from Skagit County, Grantor must submit a plan to Grantee for review. The plan must indicate the desired location and size of the improvements.

C. **Agricultural Use.** Grantor may maintain and practice agricultural activities and may construct agricultural buildings, structures and improvements on the Protected Property; provided that such activities and construction are carried out in compliance with federal, state, and local regulations, and are consistent with the terms of this Easement. Agricultural uses include: Agronomy, farming, dairying, pasturage, apiculture, horticulture, floriculture, animal and poultry husbandry, and the cultivation, management and harvest of forest crops. Prior to initiating any new construction, alteration or improvement which requires a development permit or approval from Skagit County, Grantor must submit a plan to Grantee for review. The plan must indicate the desired location and size of the improvements. The Grantee shall have no right to object thereto unless the plan sets forth an activity prohibited by this Easement or results in an increase of the allowable impermeable surface, as defined in Section V.D.

D. **Roads.** Grantor may maintain, renovate, expand or replace existing roads or construct new roads necessary to serve agricultural uses and activities on the Protected Property. The design and location of any such construction, renovation, expansion, or replacement shall be subject to the prior written notice of Grantee, and maintenance of the roads may not adversely impact the Conservation Values of the Protected Property.

E. **Agriculture-Related Commercial Activities.** Grantor may process, store and sell agricultural products produced principally from the entire commercial farm operation.

F. **Fences.** Grantor may construct and maintain fences on the Protected Property.

G. **Composting, Use and Storage of Agricultural Wastes.** Grantor may compost, use and store agricultural waste and by products on the Protected Property, consistent with the Purpose of this Easement; provided that any such wastes that are stored are stored temporarily in appropriate containment, as defined by applicable law, for



removal at reasonable intervals and in compliance with applicable federal, state, and local laws, and provided that such composting, use, and storage shall not be located in the Critical Areas shown in Exhibit B.

**H. Drainage structures.** Grantor may construct and maintain drainage structures, including ditches, tubes, pipes, pumps, gates or other facilities and appurtenances for enhancement of drainage systems.

**I. Paving and Grading.** Grantor may grade and/or pave portions of the Protected Property consistent with the Purpose of this Easement; provided that such grading and paving shall be limited to that necessary to serve agricultural uses and other permitted uses on the site. Prior to initiating any grading activities requiring a permit from Skagit County or any paving activities, the Grantor must provide written notice to the Grantee.

**J. Creation of Mortgage Liens.** Grantor may create consensual liens, whether by mortgage, deed of trust, or otherwise, for the purpose of indebtedness of Grantor, so long as such liens remain subordinate to the Easement.

**K. Emergencies.** Grantor may undertake other activities necessary to protect public health or safety on the Protected Property, or that are actively required by and subject to compulsion of any governmental agency with authority to require such activity; provided that any such activity shall be conducted so that interference with the Conservation Values of the Protected Property is avoided, or, if avoidance is not possible, minimized to the extent possible.

**L. Utilities.** Grantor may maintain, renovate, expand existing utilities or install new utilities to serve permitted uses on the Protected Property, provided that their installation will not conflict with the Purpose of this easement.

**M. Hunting and Fishing.** Grantors and Grantors' licensees and permittees may hunt and fish on the Protected Property.

## **VII. STEWARDSHIP**

Grantor agrees to maintain the Protected Property for long-term agricultural productivity and to protect the Critical Areas on the site. No activities violating sound agricultural soil and water conservation management practices shall be permitted. No activities which would damage the Conservation Values of the Critical Areas shown in Exhibit B shall be permitted.

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## VIII. NOTICE

### A. Notice.

1. Grantor. The following permitted uses and activities require Grantor to notify Grantee in writing prior to undertaking the use or activity:

- a) construction of any buildings, structures or improvements requiring a permit from Skagit County (and Section VI.B);
- b) road construction (and Section VI.D);
- c) grading activities requiring a permit from Skagit County (and Section VI.I); and
- d) paving (and Section VI.I).

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The purpose of requiring Grantor to notify Grantee prior to undertaking these permitted uses and activities is to afford Grantee an adequate opportunity to ensure that the use or activity in question is designed and carried out in a manner consistent with the Purpose of this Easement. Whenever such notice is required, Grantor shall notify Grantee in writing not less than thirty (30) days prior to the date Grantor intends to undertake the use or activity in question. Grantor may notify Grantee at the time of permit application, for concurrent review, or may provide notice and initiate review prior to permit application, at the Grantor's discretion. The notice shall describe the nature, scope, design, location, timetable, and any other material aspect of the proposed use or activity in sufficient detail to permit Grantee to make an informed judgment as to its consistency with the Purpose of this Easement. If Grantee does not provide written objections within thirty (30) days after receipt of Grantor's notice, Grantee shall be deemed to have approved of the proposed activity for purposes of this easement only. Grantee's approval may be withheld only upon a reasonable determination by Grantee that the action as proposed would be inconsistent with purposes of this easement. The determination of Grantee shall be subject to review under the terms and conditions set forth in Section IX.

B. Optional Consultation. If Grantor is unsure whether a proposed use or activity is prohibited by this Easement, Grantor may consult Grantee by providing Grantee a written notice describing the nature, scope, design, location, timetable, and any other material aspect of the proposed use or activity in sufficient detail to permit Grantee to make an informed judgment as to the consistency with the Purpose of this Easement and to provide comments thereon to Grantor for the purposes of this easement only.

C. Addresses. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other shall be in writing and either served personally or sent by first class certified mail, postage prepaid, addressed as follows:

To Grantor:

Triple J Enterprises  
15356 Produce Lane  
Mount Vernon, WA 98273

To Grantee:

Farmland Legacy Program  
County Administration Bldg.  
700 South Second St. Rm. 202  
Mount Vernon, WA 98273

or to such other address as either party designates by written notice to the other.

## IX. DISPUTE RESOLUTION: GRANTEE'S REMEDIES

A. Preventive Discussions. Grantor and Grantee will promptly give the other notice of problems or concerns arising in connection with the parties' actions under this Easement or the use of or activities or conditions on the Protected Property, and will meet as needed, but no later than 15 days after receipt of a written request for a meeting, to minimize the same.



**B. Optional Alternative Dispute Resolution.** If a dispute is not resolved through preventive discussions under subsection A, Grantor and Grantee may by mutual agreement submit the matter to mediation or arbitration upon such rules of mediation or arbitration as Grantor and Grantee may agree.

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## **X. GRANTEE'S REMEDIES**

**A. Notice of Violation, Corrective Action.** If Grantee determines that Grantor is in violation of the terms of this Easement or that a violation is threatened, Grantee shall give written notice to Grantor of such violation and demand corrective action sufficient to cure the violation and, where the violation involves injury to the Protected Property resulting from any use or activity inconsistent with the Purpose of this Easement, to restore the portion of the Protected Property so injured to its prior condition in accordance with a plan approved by Grantee.

**B. Grantor's Failure to Respond.** Grantee may bring an action as provided in subsection C if Grantor:

1. Fails to cure the violation within thirty (30) days after receipt of a notice of violation from Grantee; or
2. Under circumstances where the violation cannot reasonably be cured within a thirty (30) day period, fails to begin curing the violation within the thirty (30) day period and fails to continue diligently to cure such violation until finally cured.

**C. Grantee's Action.**

1. **Injunctive Relief.** Grantee may bring an action at law or in equity in a court having jurisdiction to enforce the terms of this Easement:

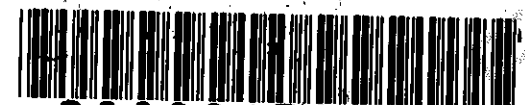
- a. To enjoin the violation by temporary or permanent injunction; and
- b. To require the restoration of the Protected Property to the condition that existed prior to any such injury.

2. **Damages.** Grantee shall be entitled to recover damages for violation of the terms of this Easement or injury to any Conservation Values protected by this Easement, including, without limitation, damages for the loss of Conservation Values. Without limiting Grantor's liability in any way, Grantee, in its sole discretion, may apply any damages recovered to the cost of undertaking corrective or restoration action on the Protected Property.

**D. Emergency Enforcement.** If Grantee determines that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values of the Protected Property, Grantee may pursue its remedies under this section with 24-hour notice to Grantor or without waiting for the period provided for cure to expire. The Grantee agrees to compensate the Grantor for damages incurred from the emergency enforcement should the action be found to be unwarranted.

**E. Scope of Relief.** Grantee's rights under this section apply equally in the event of either actual or threatened violations of the terms of this Easement. Grantor agrees that Grantee's remedies at law for any violation of the terms of this Easement are inadequate and that Grantee shall be entitled to the injunctive relief described in this section, both prohibitive and mandatory, in addition to such other relief to which Grantee may be entitled, including specific performance of the terms of this Easement, without the necessity of providing either actual damages or the inadequacy of otherwise available legal remedies. Grantee's remedies described in this section shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity.

**F. Costs of Enforcement.** In the event Grantee must enforce the terms of this Easement, the costs of restoration necessitated by acts or omissions of Grantor, its agents, employees, contractors, family members, invitees





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or licensees in violation of the terms of this Easement and Grantee's reasonable enforcement expenses, including attorneys' and consultants' fees, shall be borne by Grantor or those of its personal representatives, heirs, successors, or assigns, against whom a judgment is entered. In the event that Grantee secures redress for an Easement violation without initiating or completing a judicial proceeding, the costs of such restoration and Grantee's reasonable expenses shall be borne by Grantor and those of its personal representatives, heirs, successors, or assigns who are otherwise determined to be responsible for the unauthorized use or activity.

**G. Grantee's Discretion.** Grantee acknowledges its commitment to protect the Purpose of the Easement. Enforcement of the terms of the Easement shall be at the discretion of Grantee, and any forbearance by Grantee to exercise its rights under this Easement in the event of any breach of any terms of this Easement by Grantor, its agents, employees, contractors, family members, invitees or licensees shall not be deemed or construed to be a waiver by Grantee of such term or any of Grantee's rights under this Easement. No delay or omission by Grantee in the exercise of any right or remedy upon any breach by Grantor shall impair such right or remedy or be construed as a waiver of such term or any of Grantee's rights under this Easement. No grant by Grantee in its governmental or regulatory capacity of any building permit, grading permit, land use approval or other development approval shall be deemed or construed to be a waiver of any term or any of Grantee's rights under this Easement.

**H. Waiver of Certain Defenses.** Grantor acknowledges that it has carefully reviewed this Easement and has consulted with and been advised by counsel of its terms and requirements. In full knowledge of the provisions of this Easement, Grantor hereby waives any claim or defense it may have against Grantee or its successors or assigns under or pertaining to this Easement based upon waiver, laches, estoppel, or prescription.

**I. Acts Beyond Grantor's Control.** Nothing contained in this Easement shall be construed to entitle Grantee to bring any action against Grantor to abate, correct, or restore any condition on the Protected Property or to recover damages for any injury to or change in the Protected Property resulting from causes beyond Grantor's control, including, without limitation, natural changes, fire, flood, storm, or earth movement, or from acts of trespassers, or from any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Protected Property resulting from such causes. In the event the terms of this Easement are violated by acts of trespassers, Grantor agrees, at Grantee's option and expense, to join in any suit, or to assign its right of action to Grantee, or to appoint Grantee its attorney in fact, for the purpose of pursuing enforcement action against the responsible parties.

**J. Estoppel Certificates.** Upon request by Grantor, Grantee shall within thirty (30) days execute and deliver to Grantor, or to any party designated by Grantor, any document, including an estoppel certificate, that certifies, to the best of Grantee's knowledge, Grantor's compliance with any obligation of Grantor contained in this Easement and otherwise evidences the status of this Easement. Such certification shall be limited to the condition of the Protected Property as of Grantee's most recent inspection. If Grantor requests more current documentation, Grantee shall conduct an inspection, at Grantor's expense, within thirty (30) days of receipt of Grantor's written request.

## **XI. ACCESS BY PUBLIC NOT REQUIRED**

This Easement does not provide and shall not be construed as providing, the general public access to any portion of the Protected Property.

## **XII. COSTS, LIABILITIES AND INSURANCE, TAXES, ENVIRONMENTAL COMPLIANCE, AND INDEMNIFICATION**

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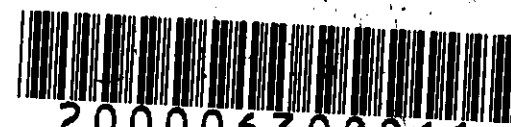
A. **Costs, Legal Requirements, Liabilities and Insurance.** Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep, and maintenance of the Protected Property, including the maintenance of adequate liability insurance coverage. Grantor remains solely responsible for obtaining any applicable governmental permits and approval for any construction or other activity or use permitted by this Easement, and all such construction or other activity or use shall be undertaken in accordance with all applicable federal, state, and local laws, regulations, and requirements. Grantor shall make every reasonable effort to prevent the perfection of any liens against the Protected Property arising out of any work performed for, material furnished to, or obligations incurred by Grantor.

B. **Taxes.** Grantor shall pay all taxes levied against the Protected Property by government authority as they become due, and shall furnish Grantee with satisfactory evidence of payment upon request. If Grantor fails to pay property taxes when due, Grantee is authorized, but in no event obligated, to make or advance such payment of taxes upon three (3) days prior written notice to Grantor, in accordance with any bill, statement, or estimate procured from the appropriate authority, without inquiry into the validity of the taxes or the accuracy of the bill, statement, or estimate, and the obligation created by such payment shall bear interest until paid by Grantor at the same rate levied by the County Treasurer's Office on unpaid taxes.

C. **Representations and Warranties.** Grantor represents and warrants that, after reasonable investigation and to the best of Grantor's knowledge:

1. Grantor and the Protected Property are in compliance with all federal, state, and local laws, regulations, and requirements applicable to the Protected Property and its use;
2. There has been no release, dumping, burying, abandonment or migration from off-site on the Protected Property of any substances, materials, or wastes that are hazardous, toxic, dangerous, or harmful or are designated as, or contain components that are, or are designated as, hazardous, toxic, dangerous, or harmful and/or that are subject to regulation as hazardous, toxic, dangerous, or harmful in violation of any federal, state or local law, regulation, statute, or ordinance;
3. Neither Grantor nor Grantor's predecessors in interest have disposed of any hazardous substances off-site, nor have they disposed of substances at sites designated or proposed to be designated as federal Superfund (42 U.S.C. § 9601 et seq.) or state Model Toxics Control Act (RCW 70.105D.010 et seq.) ("MTCA") sites; and
4. There is no pending or threatened litigation affecting the Protected Property or any portion of the Protected Property that will materially impair the Conservation Values of any portion of the Protected Property. No civil or criminal proceedings have been instigated or are pending against Grantor or its predecessors by government agencies or third parties arising out of alleged violations of environmental laws, and Grantor has not received any notices of violation, penalties, claims, demand letters, or other notifications relating to a breach of environmental laws.

D. **Remediation.** If, at any time, there occurs, or has occurred, a release in, on, or about the Protected Property of any substance now or hereafter defined, listed, or otherwise classified pursuant to any federal, state, or local law, regulation, or requirement as hazardous, toxic or dangerous to the air, water or soil, or in any way harmful or threatening to human health or environment, the responsibility for containment and remediation, including any cleanup that may be required, shall be determined under applicable law; provided, however, that Grantee shall only be responsible for remediation of releases caused by Grantee.



**E. Control.** Nothing in this Easement shall be construed as giving rise, in the absence of a judicial decree, to any right or ability in Grantee to exercise physical or managerial control over the day-to-day operations of the Protected Property, or any of Grantor's activities on the Protected Property, or otherwise to become an operation with respect to the Protected Property within the meaning of the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended ("CERCLA"), and MTCA.

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**F. Indemnification.** Grantor hereby agrees to release and hold harmless, indemnify, and defend Grantee and its members, directors, officers, employees, agents, and contractors and the personal representatives, heirs, successors, and assigns of each of them (collectively "Indemnified Parties") from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, resulting from the negligence of Grantor, its employees and invitees, including, without limitation, reasonable attorney's fees, arising from or in any way connected with:

1. Injury to or the death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the Protected Property, regardless of cause, unless due solely to the negligence of any of the Indemnified Parties; provided, however, in the event that any of the indemnified parties are negligent, then Grantor's liability for indemnity shall not apply to the extent of the indemnified parties' negligence; and
2. The obligations, covenants, representations and warranties in subsections A, B, C, and D of this section.

### **XIII. EXTINGUISHMENT, CONDEMNATION AND SUBSEQUENT TRANSFER**

**A. Extinguishment.** If circumstances arise in the future that render the Purpose of this Easement impossible to accomplish, this Easement can only be extinguished, whether in whole or in part, by judicial proceedings in a court of competent jurisdiction and only upon a finding and declaration to that effect. The amount of the proceeds to which Grantee shall be entitled, after the satisfaction of prior claims, from any sale, exchange, or involuntary conversion of all or any portion of the Protected Property subsequent to such termination or extinguishment, shall be determined in accordance with Section XIII.B, Valuation, of this Easement.

**B. Valuation.** In the event of an extinguishment pursuant to Subsection A the amount to be paid by the Grantor to the Grantee shall be determined by judicial proceedings in a court of competent jurisdiction. The decision by the Court shall recognize the equities of both Grantor and Grantee at the time of termination or extinguishment.

**C. Condemnation.** If all or any of the Protected Property is taken by exercise of the power of eminent domain or acquired by purchase in lieu of condemnation, whether by public, corporate, or other authority, so as to extinguish this Easement, in whole or in part, Grantor and Grantee shall act jointly to recover the full value of the interest in the Protected Property subject to the taking or in lieu purchase and all direct or incidental damages resulting from the taking or in lieu purchase. All expenses reasonably incurred by Grantor and Grantee in connection with the taking or in lieu purchase shall be paid out of the amount recovered. Grantor and Grantee agree that Grantee's share of the balance of the amount recovered shall be ten percent (10%) of the amount determined by subtracting the value of the Protected Property subject to this Easement from the fair market value of the unrestricted Protected Property at the time of termination or extinguishment, with the remainder due to the Grantor.

**D. Application of Proceeds.** Grantee shall return any proceeds received under the circumstances described in this Section XIII to Skagit County's Conservation Futures Fund (or successor fund) for use in purchasing conservation easements or development rights on other eligible sites under the program (or successor program.)



**E. Subsequent Transfers.** Grantor agrees to:

1. Incorporate the terms of this Easement by reference in any deed or other legal instrument by which it divests itself of any interest in all or a portion of the Protected Property, including, without limitation, a leasehold interest;
2. Describe this Easement in and append it to any executory contract for the transfer of any interest in the Protected Property;
3. Obtain a certificate from the purchaser, acknowledging their awareness of this Easement and their intent to comply with it. Such certificate shall be appended to and recorded with any deed or other legal instrument by which Grantor divests itself of any interest in all or a portion of the Protected Property; and
4. Give written notice to Grantee of the transfer of any interest in all or a portion of the Protected Property no later than fifteen (15) working days prior to the date of such transfer. Such notice to Grantee shall include the name, address, and telephone number of the prospective transferee or the prospective transferee's representative.

The failure of Grantor to perform any act required by this subsection shall not impair the validity of this Easement or limit its enforceability in any way.

**XIV. AMENDMENT**

This easement may be amended by the execution and delivery of an amended easement deed, but only with the written consent of both Grantor and Grantee. If circumstances arise under which an amendment to or modification of this Easement would be appropriate, Grantor and Grantee are free to jointly amend this Easement; provided that no amendment shall be allowed that will diminish the effectiveness of this Easement in carrying out the Purpose of the Easement in any way and that only those amendments which strengthen the effectiveness of the Easement in carrying out the Purpose of the Easement shall be permitted. Special consideration shall be given when amending this easement to changed farming practices, local, state or federal regulations and economic considerations. Any such amendment shall not affect the perpetual duration of the Easement and shall be recorded in the official records of Skagit County, Washington, and any other jurisdiction in which such recording is required.

**XV. ASSIGNMENT**

This Easement is transferable, but Grantee may assign its rights and obligations under this Easement only to the Grantee's judicial successor. As a condition of such transfer, Grantee shall require that the transferee exercise its rights under the assignment consistent with the Purpose of this Easement. Grantee shall notify Grantor in writing, at Grantor's last known address, in advance of such assignment. The failure of Grantee to give such notice shall not affect the validity of such assignment nor shall it impair the validity of this Easement or limit its enforceability in any way.

**XVI. RECORDING**

Grantee shall record this instrument in a timely fashion in the official records of Skagit County, Washington, and in any other appropriate jurisdictions, and may re-record it at any time as may be required to preserve its rights in this Easement.

**XVII. SUBORDINATION**

At the time of conveyance of this Easement, the Protected Property is subject to certain mortgages or deeds of trust dated May 27, 1994, which was recorded under Auditor's File No. 9405270163 ("Mortgage"), and March



18, 1999, which was recorded under Auditor's File No. 9904140133 ("Mortgage), and May 10, 2000, which was recorded under Auditor's File No. 200005250067 ("Deed of Trust), and May 10, 2000, which was recorded under Auditor's File No. 200005250068 ("Deed of Trust), and July 26, 1996, which was recorded under Auditor's File No. 9607260124 ("Security Interest in Goods under provisions of RCW 62A"). The beneficiaries of the Mortgages or Deeds of Trust have agreed by separate instrument at Exhibit C hereto, which will be recorded concurrently with this Easement, to subordinate their rights in the Protected Property to this Easement to the extent necessary to permit Grantee to enforce the Purpose of the Easement in perpetuity and to prevent any modification or extinguishment of this Easement by the exercise of any rights of the beneficiaries under the Mortgages or Deeds of Trust.

## XVIII. GENERAL PROVISIONS

004961

- A. **Controlling Law.** The interpretation and performance of this Easement shall be governed by the laws of the State of Washington.
- B. **Liberal Construction.** Any general rule of construction to the contrary notwithstanding, this Easement shall be liberally construed in favor of the grant to effect the Purpose of this Easement and the policy and purpose of RCW 64.04.130 and Chapter 84.34 RCW. If any provision in this instrument is found to be ambiguous, an interpretation consistent with the Purpose of this Easement that would render the provision valid shall be favored over any interpretation that would render it invalid.
- C. **Severability.** If any provision of this Easement, or its application to any person or circumstance, is found to be invalid, the remainder of the provisions of this Easement, or the application of such provision to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected.
- D. **Entire Agreement.** This instrument sets forth the entire agreement of the parties with respect to the Protected Property and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Protected Property, all of which are merged into this Easement. No alteration or variation of this instrument shall be valid or binding unless contained in an amendment that complies with Section XIV.
- E. **No Forfeiture.** Nothing contained in this Easement will result in a forfeiture or reversion of Grantor's title in any respect.
- F. **"Grantor" - "Grantee".** The terms "Grantor" and "Grantee," wherever used in this Easement, and any pronouns used in their place, shall be held to mean and include, respectively the above-named Grantor, and its personal representatives, heirs, successors, and assigns, and the above-named Grantee, its personal representatives, successors and assigns.
- G. **Successors and Assigns.** The covenants, terms, conditions, and restrictions of this Easement shall be binding upon, and inure to the benefit of, the parties to this Easement and their respective personal representatives, heirs, successors, and assigns, and shall continue as a servitude running in perpetuity with the Protected Property.
- H. **Termination of Rights and Obligations.** A party's rights and obligations under this Easement terminate upon transfer of the party's interest in the Easement or Protected Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.
- I. **Joint and Several.** The obligations imposed by this Easement upon Grantor shall be joint and several.
- J. **Counterparts.** The parties may execute this instrument in two or more counterparts, which shall be signed by both parties. Each counterpart shall be deemed an original instrument as against any party who has signed it. In the event of any disparity between the counterparts produced, the recorded counterpart shall be controlling.

## **XIX. SCHEDULE OF EXHIBITS**

- A.** Legal Description of Property Subject to Easement.
- B.** Site Map(s).
- C.** Subordination Agreements.

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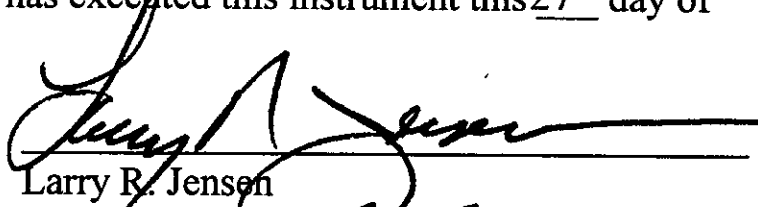


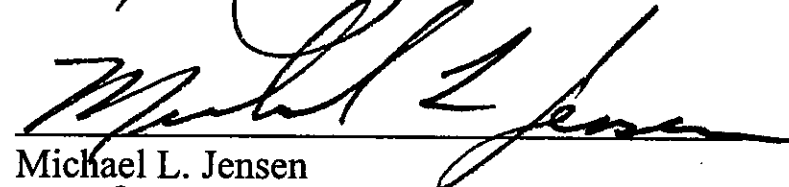


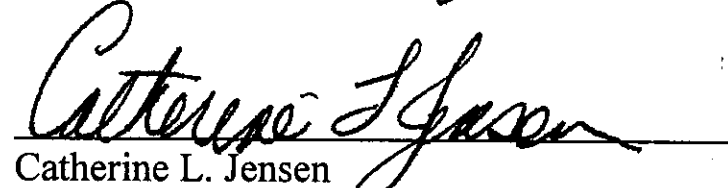
TO HAVE AND TO HOLD unto Grantee, its successors, and assigns forever.

004961

IN WITNESS WHEREOF, the undersigned Grantor has executed this instrument this 27 day of June, 2000.

  
Larry R. Jensen

  
Michael L. Jensen

  
Catherine L. Jensen

General partners for Triple J Enterprises, a Washington General Partnership

STATE OF WASHINGTON )

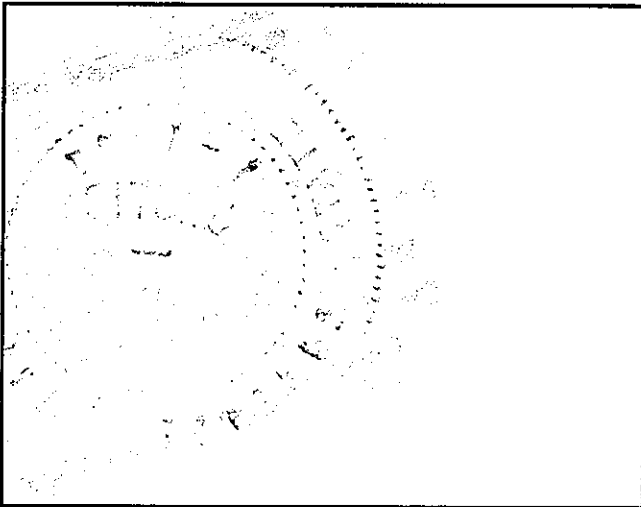
) ss.

COUNTY OF SKAGIT )

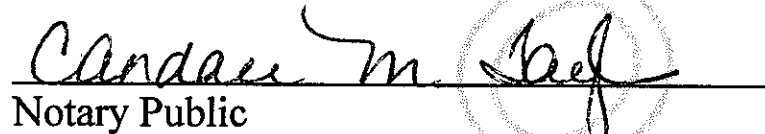
Larry R. Jensen, Michael L.

I certify that I know or have satisfactory evidence that Jensen & Catherine L. Jensen is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the Partners of Triple J. Enterprises to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: June 27, 2000



(Use this space for notarial stamp/seal)

  
Notary Public  
Print Name Candace M. Taylor  
My commission expires 01/01/10

36024  
SKAGIT COUNTY WASHINGTON  
Real Estate Excise Tax  
PAID

JUN 30 2000

Amount Paid \$ 6,885.96  
By: DC Skagit County Treasurer  
Deputy



The BOARD OF COUNTY COMMISSIONERS do hereby accept the above Grant Deed of Conservation Easement.

004961

Dated: JUNE 26, 2000

GRANTEE - SKAGIT COUNTY, WASHINGTON

Harvey Wolden  
Harvey Wolden, Chairman

Robert Hart, Commissioner

Ted W. Anderson  
Ted W. Anderson, Commissioner

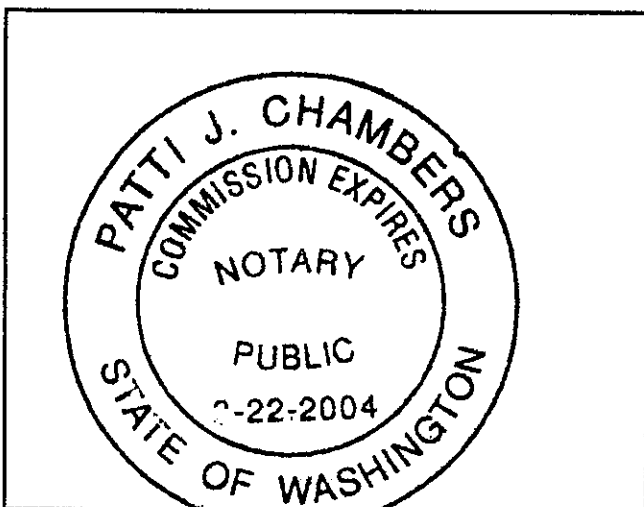
Approved as to Form

John R. Moffat  
John R. Moffat  
Chief Civil Deputy

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF SKAGIT )

I certify that I know or have satisfactory evidence that HARVEY WOLDEN & TED W. ANDERSON are the persons who appeared before me, and said persons acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the act of such party for the uses and purposes mentioned in the instrument.

Dated: JUNE 26, 2000



(Use this space for notarial stamp/seal)

Patti J. Chambers  
Notary Public  
Print Name PATTI J. CHAMBERS  
My commission expires 3/22/04



## EXHIBIT A

### Legal Description

004961

#### PARCEL "A":

a.) Government Lots 1, 2 and the East ½ of the Northeast ¼ of Section 24, Township 34 North, Range 2 East, W.M., EXCEPT road rights of way.

EXCEPT that portion thereof lying within Tracts "A" and "B" of Skagit County Short Plat No. 42-79, approved September 6, 1979 and recorded September 6, 1979 in Volume 3 of Short Plats, page 176, under Auditor's File No. 7909060026.

b.) Government Lots 4, 6, 7 and the East ½ of the Southeast ¼ of Section 13, Township 34 North, Range 2 East, W.M., EXCEPT the following described tracts of land:

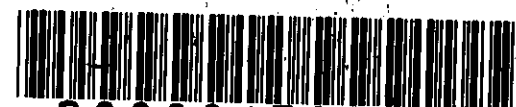
That portion of Government Lots 4 and 6 of Section 13, T. 34 N., R. 2 East, W.M. described as follows: Beginning at the intersection of the East-West centerline of said Section 13 and the East line of Tract "A" as both are delineated upon the "PLAT OF SKAGIT BEACH No. 1" as per plat recorded in Volume 8 of Plats, Page 71, records of Skagit County, Washington; thence N 7°48' W along the East line of said Tract "A", a distance of 94.65 feet; thence N 82°12' E perpendicular to the aforesaid line, a distance of 220.00 feet; thence S 7°48' E along a line parallel to the East line of said Tract "A", a distance of 119.95 feet, more or less, to the intersection of the East-West centerline of said Section 13; thence continuing S 7°48' E, a distance of 719.04 feet, more or less, to its' intersection with the East line of said Tract "A"; thence Northerly along the East line of said Tract "A", on the following courses and distances: N 31°59' W, a distance of 537.03 feet; N 7°48' W, a distance of 254.44 feet to the Point Of Beginning, and containing 3.00 acres; AND

That portion of Government Lot 4 of Section 13, T. 34 N., R. 2 East, W.M. described as follows: Beginning at the intersection of the East-West centerline of said Section 13 and the East line of Tract "A" as both are delineated upon the "PLAT OF SKAGIT BEACH No. 1" as per plat recorded in Volume 8 of Plats, Page 71, records of Skagit County, Washington; thence N 7°48' W along the East line of said Tract "A", a distance of 124.65 feet to the TRUE POINT OF BEGINNING of this property description; thence continuing N 7°48' W, along the East line of said Tract "A", a distance of 32.15 feet to the PC of a curve to the right; thence continuing along the East line of said Tract "A" along said curve to the right having a radius of 441.68 feet and a central angle of 25°42', an arc length of 198.11 feet to the PT of said curve; thence S 73°08'05" E, a distance of 257.46 feet; thence S 17°54' W, a distance of 129.00 feet, more or less, to a point which bears N 82°12' E, a distance of 221.72 feet, from the True Point Of Beginning; thence S 82°12' W, a distance of 221.72 feet, to the True Point Of Beginning of this property description, and containing 1.00 acres.

SUBJECT TO that Easement for Septic Field, including the terms and provisions thereof, between Martin R. Lind, et. ux., Grantee and Hayton Farms Inc., Grantor to serve exclusively Lot 6-A of Skagit Beach No. 1 as per plat recorded in Volume 8 of Plats at page 71, by that instrument recorded June 5, 1992 under Auditor's File No. 9206050074, records of Skagit County, Washington.

c.) That portion of the Southeast ¼ of the Northwest ¼ of Section 18, Township 34 North, Range 3 East, W.M., lying South and West of Higgins Slough and Government Lots 3 and 4 of Section 18, Township 34 North, Range 3 East, W.M.

d.) Government Lot 2 of Section 18, Township 34 North, Range 3 East, W.M., and Government Lot 5 of Section 13, Township 34 North, Range 2 East, W.M., EXCEPT so much thereof as lies within the following described tract:



Beginning at the corner of Sections 7, 12, 13 and 18 on the Township line between Township 34 North, Range 2 East, W.M., and Township 34 North, Range 3 East, W.M., and thence running South following the said Township line a distance of 1,320 feet;

thence turning and running East a distance of 1,295.6 feet;

thence turning and running South a distance of 590.7 feet;

thence turning and running North 74°30' West a distance of 556.5 feet;

thence turning and running South 78°15' West a distance of 486 feet;

thence turning and running North 82°30' West a distance of 289.4 feet to an intersection with said Township line, which point of intersection is 1,822.8 feet South of said corner of Sections 7, 12, 13 and 18;

thence turning and running North 62° West a distance of 671 feet;

thence turning and running North 41°45' West a distance of 250 feet;

thence turning and running North 5° West a distance of 862 feet;

thence turning and running North 20°15' West a distance of 300 feet;

thence turning and running North 6°45' West a distance of 224 feet;

thence turning and running North 10°45' East a distance of 300 feet;

thence turning and running North 28°30' East a distance of 400 feet;

thence turning and running North 47°12' East a distance of 979.2 feet to an intersection with the aforesaid Township line;

thence turning and running South following the said Township line a distance of 1,350.9 feet to corner of Sections 7, 12, 13 and 18 on Township line between Township 34 North, Range 2 East, W.M., and Township 34 North, Range 3 East, W.M., the point of beginning.

e.) Government Lot 1 of Section 19, Township 34 North, Range 3 East, W.M.

EXCEPTING from the above descriptions, County road, dike and ditch rights of way and "PLAT OF SKAGIT BEACH NO. 1", as per plat recorded in Volume 8 of Plats, page 71, records of Skagit County, Washington, portions of which have been replatted as "PLAT OF SKAGIT BEACH NO. 2", as per plat recorded in Volume 9 of Plats, page 25, records of Skagit County, Washington; "PLAT OF SKAGIT BEACH NO. 3", as per plat recorded in Volume 9 of Plats, page 26, records of Skagit County, Washington, "PLAT OF SKAGIT BEACH NO. 4", as per plat recorded in Volume 11 of Plats, page 45, records of Skagit County, Washington; and "PLAT OF SKAGIT BEACH NO. 5", as per plat recorded in Volume 10 of Plats, page 27, records of Skagit County, Washington.

Situate in the County of Skagit, State of Washington.

PARCEL "B":

That portion of the Northeast ¼ of the Southwest ¼ of Section 18, Township 34 North, Range 3 East, W.M., lying West of Higgins Slough, EXCEPT road, dike and ditch rights of way.

Situate in the County of Skagit, State of Washington.

PARCEL "C":

Government Lot 2, Section 19, Township 34 North, Range 3 East, W.M., EXCEPT road, ditch and dike rights of way, AND EXCEPT the following described tracts:

1.) That portion of Government Lot 2 of Section 19, Township 34 North, Range 3 East, W.M., described as follows:



PARCEL "C" continued:

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Beginning at a point on the North line of the County road running along the South line of said subdivision, a distance of 1,036 feet West of the East line of said Government Lot 2;  
thence North parallel with said East line a distance of 208.7 feet;  
thence West parallel with the North line of said County road a distance of 208.7 feet;  
thence South parallel with the East line of said Government Lot 2 a distance of 208.7 feet to the North line of said County road;  
thence East along the North line of said County road a distance of 208.7 feet to the point of beginning.

2.) The East 230 feet of the South 226 feet of Government Lot 2, Section 19, Township 34 North, Range 3 East, W.M., EXCEPT the East 30 feet thereof.

Situate in the County of Skagit, State of Washington.

A-3



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**EXHIBIT B**

**Site Map(s)**

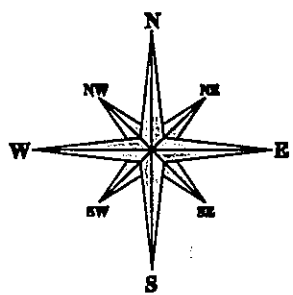
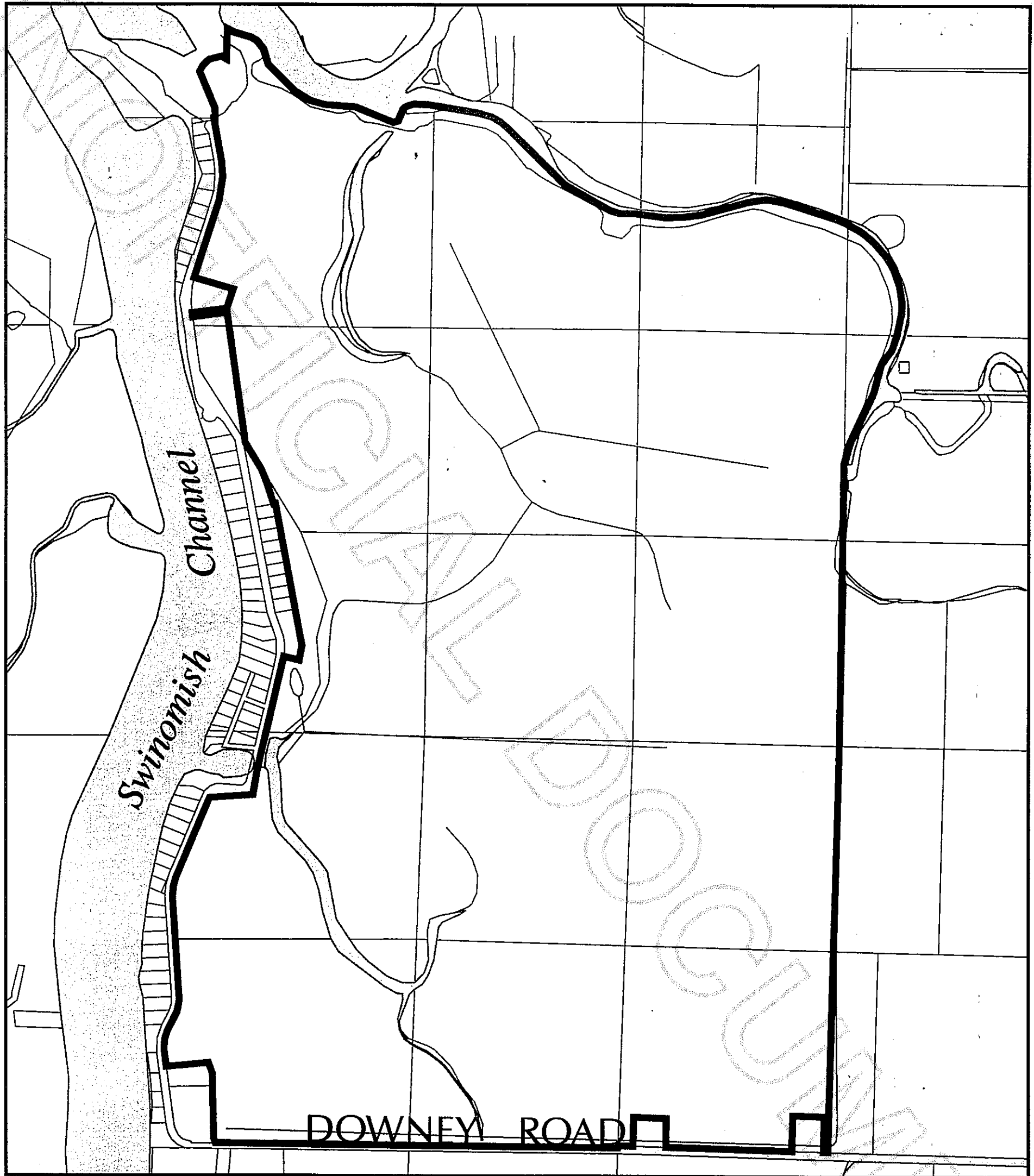
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B-1



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## TRIPLE J PROPERTY

0

1/2 mile



Scale in Miles

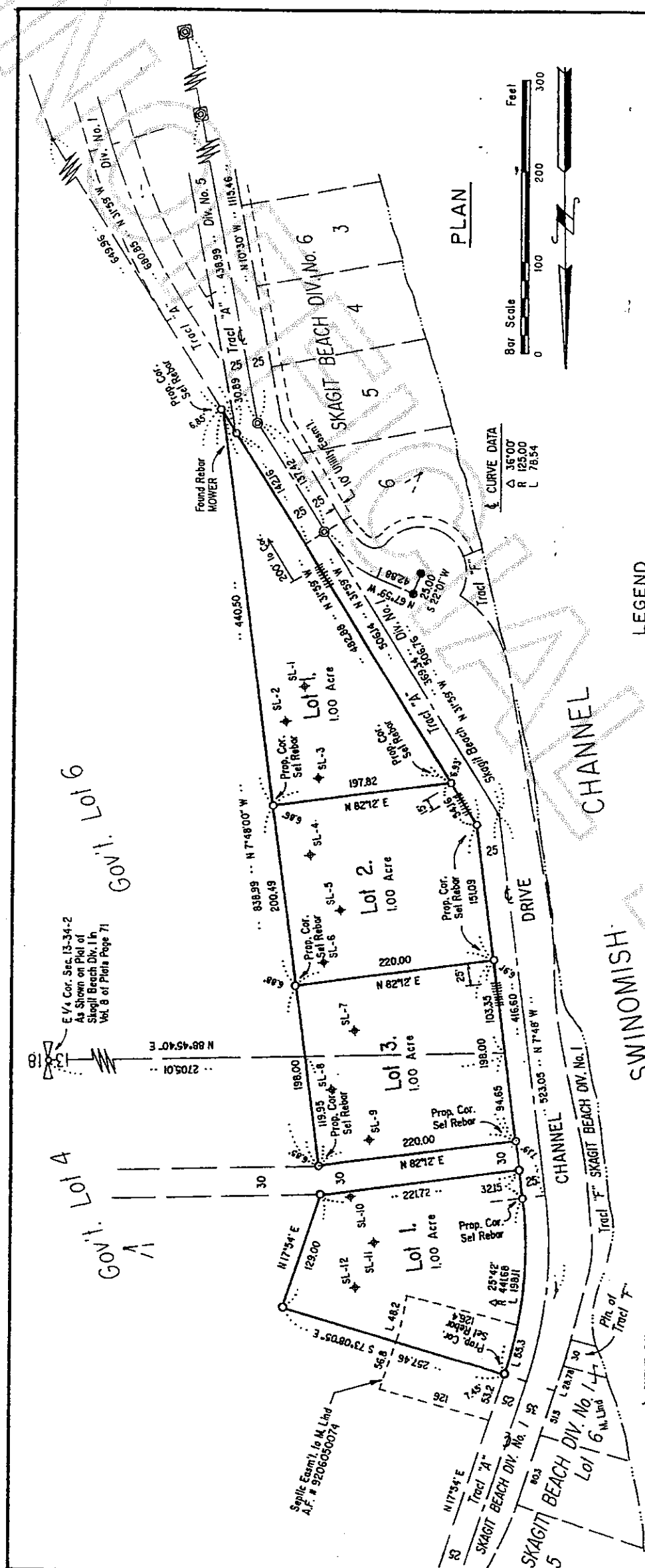
June 28, 2000



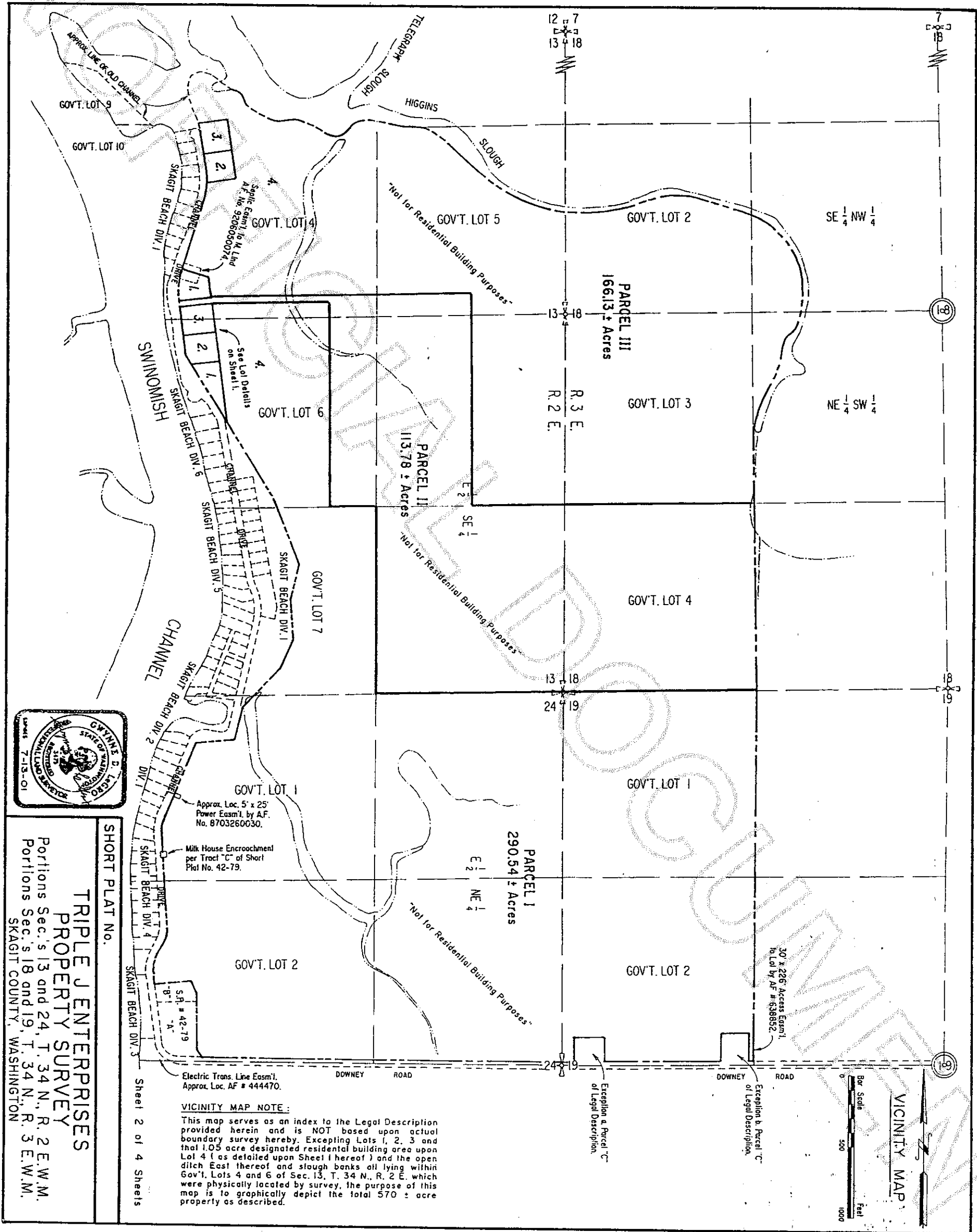
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Kathy Hill, Skagit County Auditor

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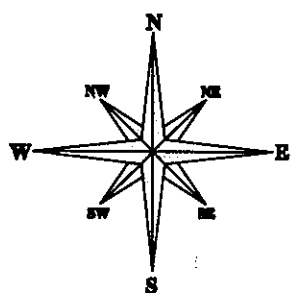
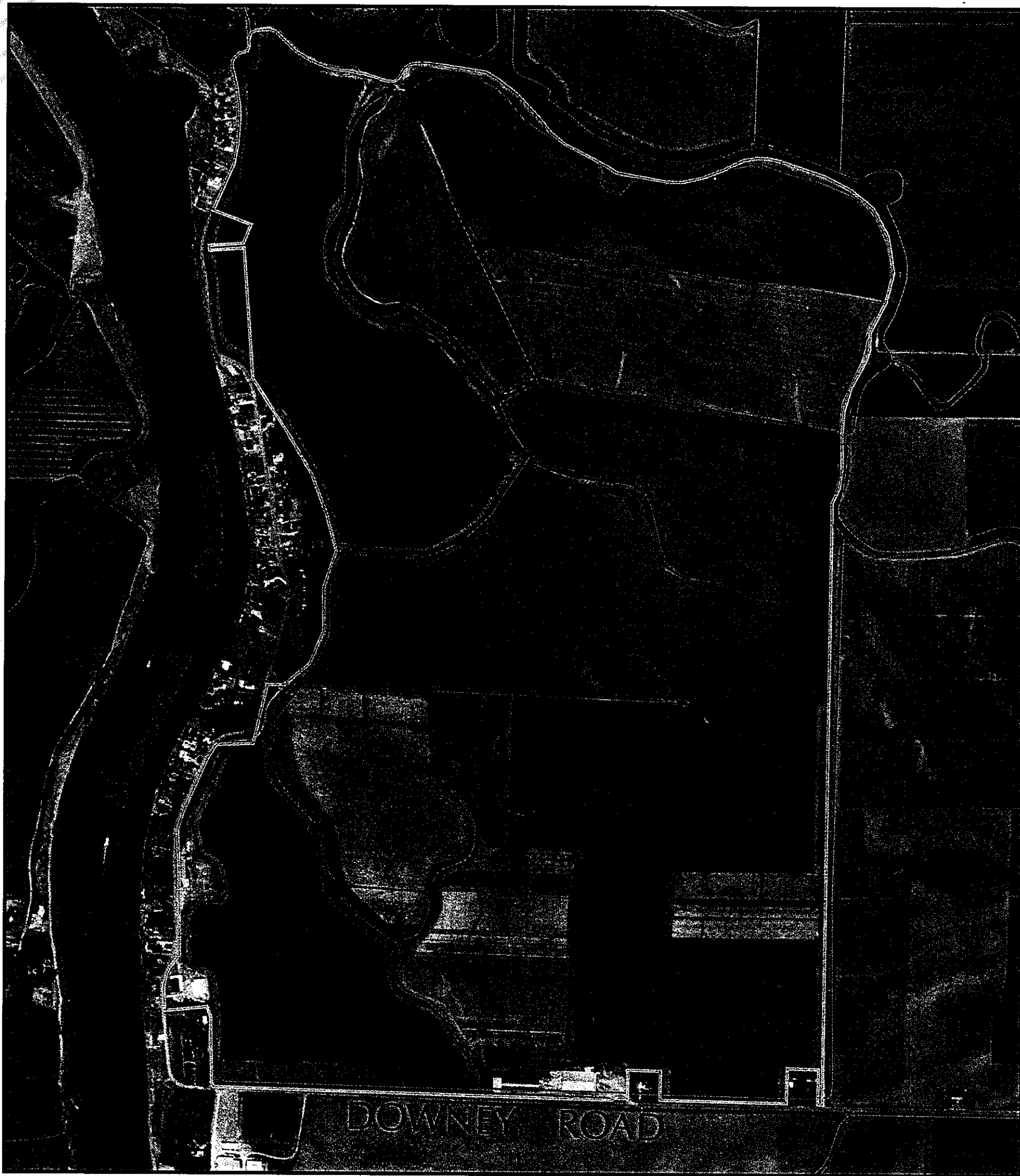


Portions Sec.'s 13 and 24, T. 34 N., R. 2 E.W.M.  
Portions Sec.'s 18 and 19, T. 34 N., R. 3 E.W.M.  
SKAGIT COUNTY, WASHINGTON



200006300061

Kathy Hill, Skagit County Auditor



## TRIPLE J PROPERTY

June 28, 2000

0

1/2 mile



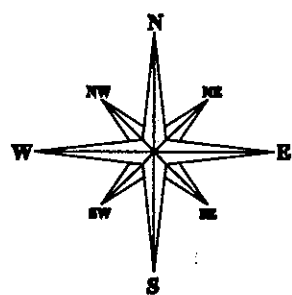
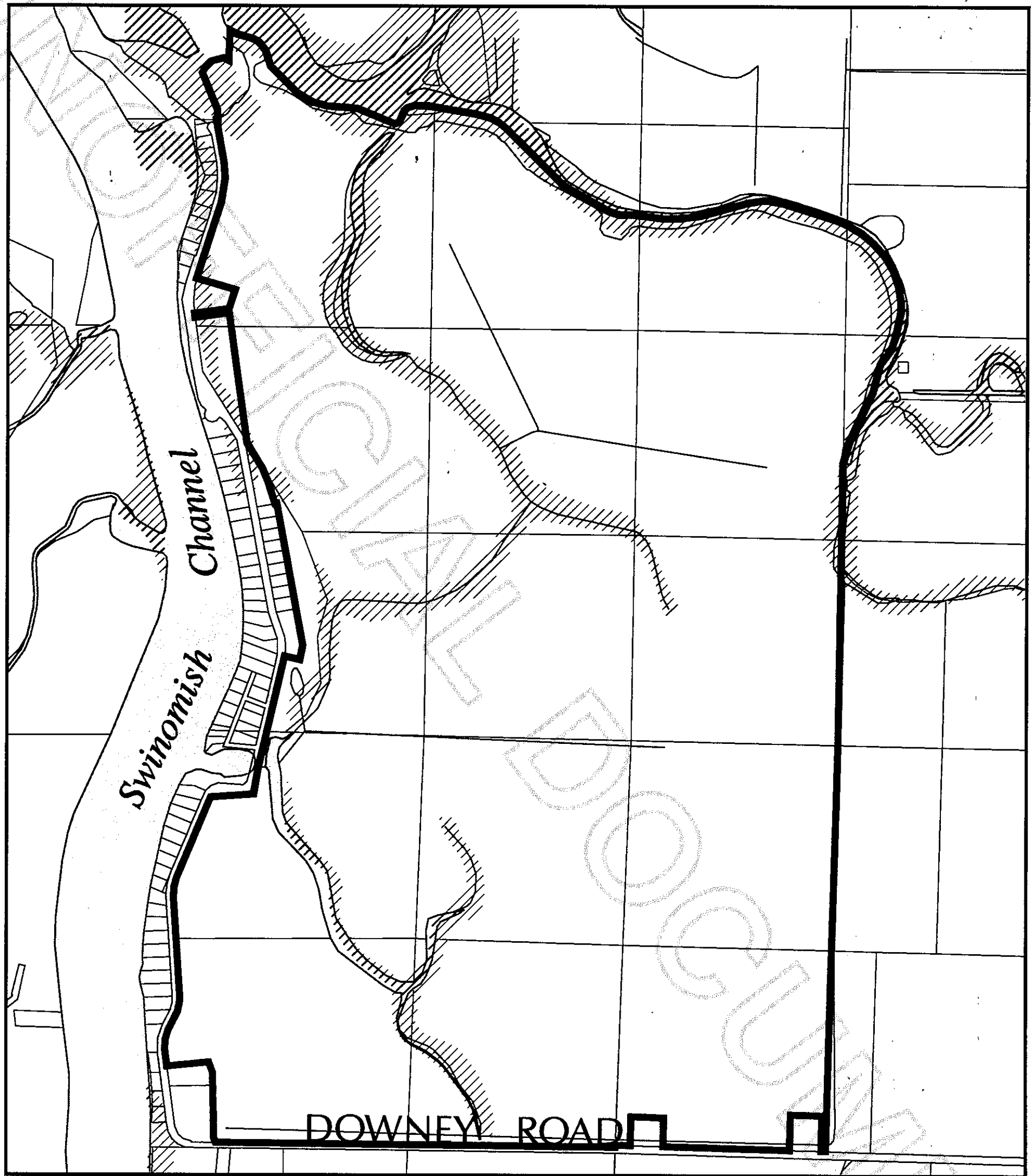
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Kathy Hill, Skagit County Auditor

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## TRIPLE J PROPERTY



Critical Areas

0

1/2 mile



Scale in Miles

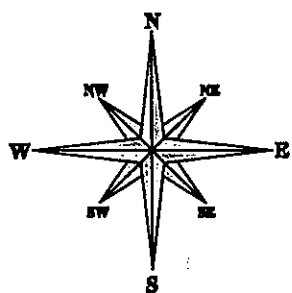
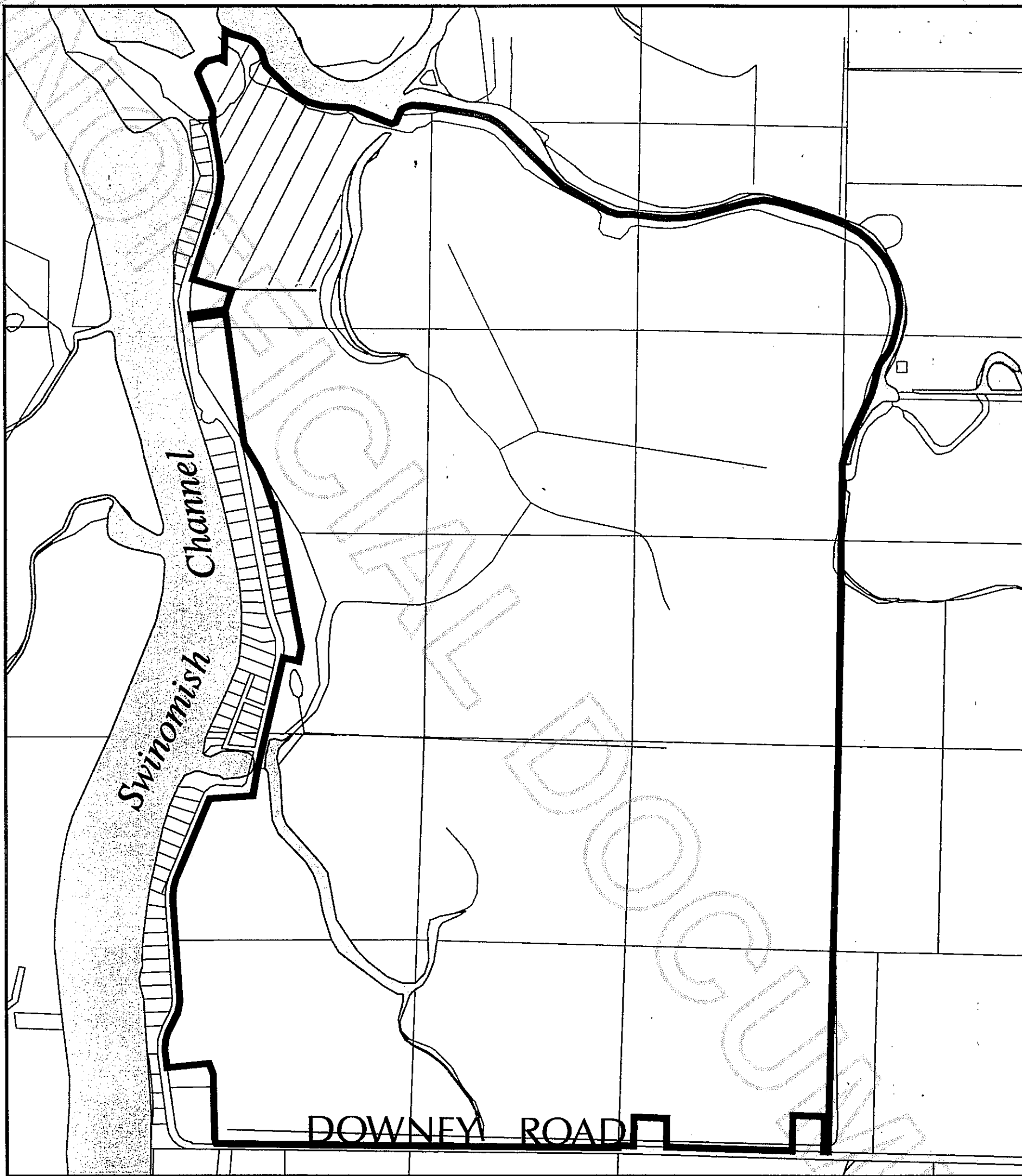
June 28, 2000



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Kathy Hill, Skagit County Auditor

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**TRIPLE J PROPERTY**



RESERVED AREA

0

1/2 mile



Scale in Miles

June 28, 2000



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