AFTER RECORDING MAIL TO:

Public Utility District No. 1 of Skagit County P. 0. Box 1436
Mount Vernon WA 98273-1436

200007170007 Kathy Hill, Skagit County Auditor 7/17/2000 Page 1 of 4 10:01:00AM

QUIT CLAIM DEED

RECITALS:

WHEREAS, the Alger Community Club, Incorporated (the "Club"), a Washington non-profit Corporation, owns a public water system serving the community of Alger in northwestern Skagit County, Washington, identified with Washington State Department of Health Public Water System (PWS) ID # 01400K; and

WHEREAS, the Club collects revenue for the operation of said water system from the customers receiving water service from the system, and operates under the name "Alger Water Department"; and

WHEREAS, the registered voters in and about the Alger water system service area voted in 1996 and did form a Water District (the "Alger Water District") under RCW Title 57, to be eligible for public financial assistance to fund required repairs to said water system; and

WHEREAS, the Public Utility District No. 1 of Skagit County (the "District"), a Washington municipal corporation, did coordinate with the Board of Trustees of the Club to operate the existing water system and to concurrently finalize financing and coordinate construction of a replacement public water system to serve in and about the community of Alger, and did agree to own and operate the new water system once completed; and

WHEREAS, it is appropriate for the ownership of the existing Alger water system to be transferred to the District to allow transfer of water services to the new water system and abandonment of the existing system as the District deems prudent.

NOW, THEREFORE, the GRANTORS, ALGER COMMUNITY CLUB, INC, ALGER WATER DEPARTMENT, and ALGER WATER DISTRICT, for and in consideration of no money (\$0, pursuant to the Bill of Sale attached hereto) and the construction of a new water distribution system does hereby convey, and quit claim, to PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY, all easements, rights of way and claims to easements and rights of way, together with all infrastructure owned by ALGER COMMUNITY CLUB, INC, ALGER WATER DEPARTMENT, and ALGER WATER DISTRICT, within the following described service area:

Beginning At The Southeast Section Corner Of Section 7, Township 36 North, Range 4 East, W.M., Skagit County, State Of Washington; Thence West Along The South Section Line Of Said Section 7 To The Southwest Corner Of The Southeast Quarter Of The Southeast Quarter; Thence Continuing 20 Feet Along Said South Section Line; Thence South And Parailei To The East Line Of The Northwest Quarter Of The Northeast Quarter Of Section 18 To A Point That Lies 440 Feet South Of The Said South Section Line; Thence West And Parallel To The Said South Section Line 700 Feet; Thence North And Parallel To The Said East Line Of The Northwest Quarter Of The Northeast Quarter Of Section 18 To The Said South Section Line; Thence West Along Said South Section Line To The South Quarter Corner Of Said Section 7; Thence West Along Said South Section Line Of Section 7 To Intersection Of The Easterly Right Of Way Boundary Of Primary State Highway No. 1.; Thence Northerly Along Said Right Of Way To An Intersection With The Northern Boundary Of Lake Samish Road; Thence Southeasterly Along Said Northern Boundary Approximately 30

Feet To An Intersection With The Old Center Line Of Barleen County Road; Thence Easterly And South-Easterly Along Said Barleen County Road Center Line To An Intersection With The North Line Of The Southeast Quarter Of The Southwest Quarter Of Said Section 7; Thence East Along Said North Line To The Northeast Corner Of Said Southeast Quarter Of The Southwest Quarter Of Section 7; Thence North Along North-South Section Center Line Of Said Section 7 To The Northwest Corner Of The Southeast Quarter Of Section 7; Thence East Along The North Boundary Of The Said Southeast Quarter To The Easterly Margin Of State Highway No. 99; Thence Northwest Along Said Easterly Margin To A Point That Lies 200 Feet North Of Said North Boundary Of The Southeast Quarter; Thence East And Parallel To Said North Boundary To A Point That Lies 660 Feet East Of The North-South Section Center Line; Thence South 200 Feet To The Said North Boundary Of The Southeast Quarter Of Section 7; Thence East Along Said North Boundary To The Northeast Corner Of The Southeast Quarter Of Section 7; Thence North Along Section Line Between Sections 7 And 8 To The Northwest Corner Of The Southwest Quarter Of The Northwest Quarter Of Section 8; Thence East Along The North Boundary Of Said Southwest Quarter Of The Northwest Quarter To The Center Line Of Silver Creek; Thence Southerly Along Said Silver Creek Center Line To The Southern Right Of Way Margin Of The Alger-Cain Lake Road; Thence Westerly Along Said Right Of Way Margin Approximately 1400 Feet To An Intersection With Said Silver Creek Center Line; Thence Continuing Southwesterly Along Said Silver Creek Center Line To The Easterly Margin Of State Highway No. 99; Thence Southerly Along Said Easterly Margin Of State Highway No. 99; Thence Southerly Along Said Easterly Margin To The Southerly Margin Of The Abandoned L.W.L. Railroad Right Of Way; Thence Southeast Along Said Abandoned Right Of Way To The East Line Of Section 7; Thence South Along Said East Line To The Point Of Beginning.

ALGER COMMUNITY CLUB
ALGER WATER DEPARTMENT

ALGER WATER DISTRICT

By: James Ross, Board Member

By: Bruce Bishop, Commissioner

By: Charles McNallie, Board Member

By: Clyde Corcoran, Commissioner

STATE OF WASHINGTON)
COUNTY OF Skagit) ss

I certify that I know or have satisfactory evidence that James Ross is the person who appeared before me, and said persons acknowledged that he signed this instrument, on oath stated that he is authorized to execute the instrument and acknowledged himself as a Board Member, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

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party for the uses and purposes mentioned in this in

Dated: 3/6/00

O STARY STAR

Quit Claim Deed

Notary Public in and for the State of Washington

Residing at Shagit

My appointment expires:

1/25/03

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Kathy Hill, Skagit County Auditor 7/17/2000 Page 2 of 4 10:01:00A

STATE OF WASHINGTON COUNTY OF Skagit

SS

I certify that I know or have satisfactory evidence that Ed Varhaug is the person who appeared before me, and said persons acknowledged that he signed this instrument, on oath stated that he is authorized to execute the instrument and acknowledged himself as a Board Member, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument. CAROLE A. KNIPPER

Dated:

Notary Public in and for the State of

Washington

Residing at Magit County My appointment expires:

STATE OF WASHINGTON **COUNTY OF Skagit**

SS

I certify that I know or have satisfactory evidence that Charles McNallie is the person who appeared before me, and said persons acknowledged that he signed this instrument, on oath stated that he is authorized to execute the instrument and acknowledged himself as a Board Member, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated: 3

Notary Public in and for the State of

Washington

Residing at Skaget Co

My appointment expires: 9/35/03

STATE OF WASHINGTON COUNTY OF Skagit

SS

I certify that I know or have satisfactory evidence that Joe Corbell is the person who appeared before me, and said persons acknowledged that he signed this instrument, on oath stated that he is authorized to execute the instrument and acknowledged himself as a Commissioner, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated:

CAROLE A. KNIPPER MY APPOINTMENT EXPIRES

Notary Public in and for the State of Washington

Slagit Co. Residing at

My appointment expires:

Quit Claim Deed

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Kathy Hill, Skagit 7/17/2000 Page

STATE OF WASHINGTON)
COUNTY OF Skagit)

I certify that I know or have satisfactory evidence that Bruce Bishop is the person who appeared before me, and said persons acknowledged that he signed this instrument, on oath stated that he is authorized to execute the instrument and acknowledged himself as a Commissioner, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

SS

Dated:

Notary Public in and for the State of Washington

Residing at

My appointment expires:

STATE OF WASHINGTON COUNTY OF Skagit

SS

I certify that I know or have satisfactory evidence that Clyde Corcoran is the person who appeared before me, and said persons acknowledged that he signed this instrument, on oath stated that he is authorized to execute the instrument and acknowledged himself as a Commissioner, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated:

4/11/00

CAROLE A. KNIPPER MY APPOINTMENT EXPIRES: 9/05/03

Notary Public in and for the State of

Washington

Residing at

ntment evnires:

My appointment expires:

9/25/03

SKAGIT COUNTY WASHINGTON

JUL 17 2000

Skagit Co. Treasurer
By Deputy

Quit Claim Deed

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