



200702230062

Skagit County Auditor

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RETURN TO:
Public Utility District No. 1 of Skagit County
1415 Freeway Drive
P.O. Box 1436
Mount Vernon, WA 98273-1436

PUD UTILITY EASEMENT

THIS AGREEMENT is made this 14th day of February, 2007, between FRED MEYER STORES, INC., hereinafter referred to as "Grantor(s)", and PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY, WASHINGTON, a Municipal Corporation, hereinafter referred to as "District". Witnesseth:

WHEREAS, Grantor(s) are the owners of certain lands and premises situated in the County of Skagit,

WHEREAS, the District wishes to acquire certain rights and privileges along, within, across, under, and upon the said lands and premises.

NOW, THEREFORE, Grantor(s), for and in consideration of mutual benefits and other valuable consideration, receipt of which is hereby acknowledged, conveys and grants to the District, its successors or assigns, the perpetual right, privilege, and authority enabling the District to do all things necessary or proper in the construction and maintenance of a water and communication line or other similar public service related facilities, including the right to construct, operate, maintain, inspect, improve, remove, restore, alter, replace, relocate, connect to and locate at any time a pipe or pipes, line or lines or related facilities, along with necessary appurtenances for the transportation and control of water and electronic information on facilities over, across, along, in and under the following described lands and premises in the County of Skagit, State of Washington, to wit:

Parcel # P104519

Exhibit "A" - Legal Description: Waterline Easement Relocation

Exhibit "B" - Easement Relocation Map

*PTN Lot 6 Fred Meyer Retail Store
NW 5-344*

together with the right of ingress to and egress from said lands across adjacent lands of the Grantor; also, the right to cut and/or trim all timber, trees, brush, or other growth standing or growing upon the lands of the Grantor which, in the opinion of the District, constitutes a menace or danger to said line or to persons or property by reason of proximity to the line. The Grantor agrees that title to all brush, other vegetation or debris trimmed, cut, and removed from the easement pursuant to this Agreement is vested in the District.

Grantors, their heirs, successors, or assigns hereby conveys and agrees not to construct or permit to be constructed structures of any kind on the easement area, without written approval of the General Manager of the District. Grantors shall conduct their activities and all other activities on Grantor's property so as not to interfere with, obstruct or endanger the usefulness of any improvements or other facilities, now or hereafter maintained upon the easement or in any way interfere with, obstruct or endanger the District's use of the easement.

The Grantors also agree to and with the District that the Grantors lawfully own the land aforesaid, has a good and lawful right and power to sell and convey same, that same is free and clear of encumbrances except as indicated in the above legal description, and that Grantors will forever warrant and defend the title to said easement and the quiet possession thereof against the lawful claims and demands of all persons whomsoever.

Any mortgage on said land held by a mortgagee is hereby subordinated to the rights herein granted to the District; but in all other respects the mortgage shall remain unimpaired.

In Witness Whereof, the Grantor hereunto sets his hand and seal this 14 day of February, 2007.

FRED MEYER STORES, INC.:

[Signature]
ROBERT CURREY-WILSON, VP of Real Estate & Property Mgmt.

STATE OF OREGON
COUNTY OF Multnomah

I certify that I know or have satisfactory evidence that Robert Currey-Wilson is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as Vice President of Real Estate and Property Management of Fred Meyer Stores, Inc. to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Date: February 14, 2007 [Signature]
Notary Public in and for the State of Oregon
My appointment expires: August 26, 2010



SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

FEB 23 2007

Amount Paid to
Skagit Co. Treasurer
By [Signature] Deputy



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EXHIBIT "A"

LEGAL DESCRIPTION

PARTIAL WATERLINE EASEMENT RELOCATION

That portion of a waterline easement, 20.00 feet in width, over, under and across Lot 6, Fred Meyer Retail Store, Burlington, Washington, Binding Site Plan, as recorded in Volume 11 of Short Plats, at pages 42 through 48, Records of Skagit County, Washington, being in the Northwest quarter of Section 5, Township 34 North, Range 4 East, Willamette Meridian, having 5.00 feet of such width lying to the right and 15.00 feet of such width lying to the left of the following described line:

COMMENCING at the Southwest corner of said Northwest quarter, the Northwest corner of said Northwest quarter bears North 01° 17' 42" East;
THENCE South 89° 29' 21" East, 19.99 feet;
THENCE North 45° 17' 42" East, 21.20 feet;
THENCE South 89° 34' 40" East, 64.91 feet;
THENCE North 02° 32' 03" East, 45.08 feet;
THENCE South 89° 27' 57" East, 106.72 feet;
THENCE South 89° 35' 17" East, 221.83 feet;
THENCE South 89° 35' 58" East, 368.92 feet;
THENCE North 00° 17' 42" East, 1136.84 feet;
THENCE North 89° 42' 18" West, 15.00 feet to the West margin of a waterline easement shown on said Binding Site Plan and the TRUE POINT OF BEGINNING of herein described line;
THENCE CONTINUING North 89° 42' 18" West, 210.00 feet;
THENCE South 00° 17' 42" West, 49.00 feet to the North margin of the waterline easement shown on said Binding Site Plan and the terminus.

The sidelines of said relocation easement shall be shortened or lengthened as necessary as to intersect at angle points and the margins of the waterline easement, as shown on said Binding Site Plan.

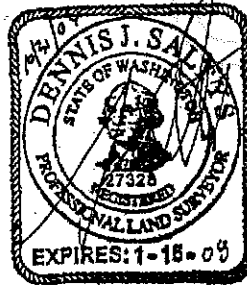
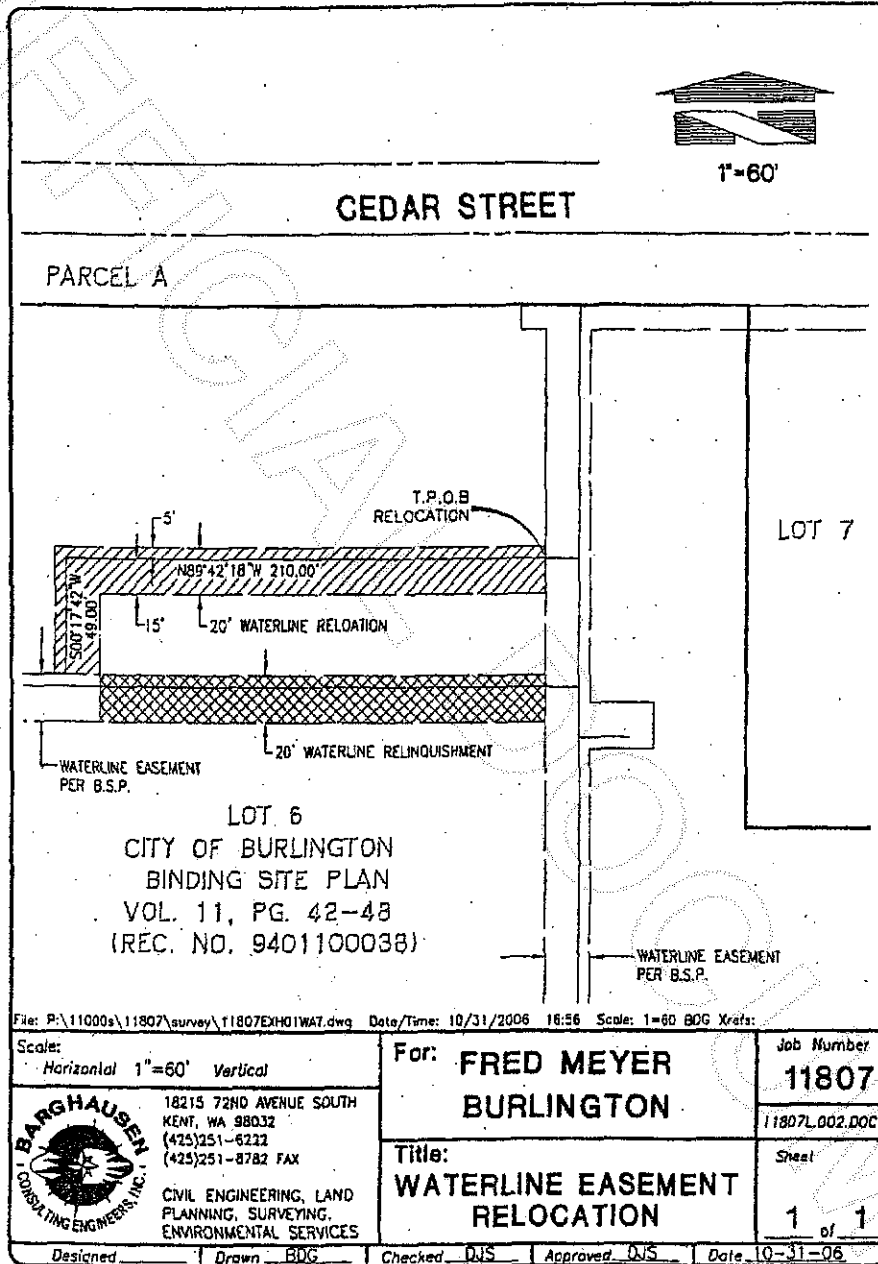


EXHIBIT "B"



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