

Recording Requested by and
After Recording Return to:

STOEL RIVES LLP
600 University Street, Suite 3600
Seattle, Washington 98101
Attention: Nathan Luce

REVIEWED BY
SKAGIT COUNTY TREASURER
DEPUTY Flora Cruz
DATE 07/12/2021

STORM WATER EASEMENT AGREEMENT

GRANTOR: **SIERRA PACIFIC INDUSTRIES,**
a California corporation, as successor by merger
with Sierra Pacific Holding Company, a California
corporation

GRANTEE: **WEST COAST REDUCTION USA INC.,**
a Washington corporation

ABBREVIATED LEGAL
DESCRIPTION (Grantor): Ptn. Lot 8 Sierra Pacific BSP PL 08-0315 in the NE
1/4 of Sec. 9, Twp 34 N., R. 3 E, WM

Ptn. Vacated McFarland Road File No.
201304100078

Full Legal Description on Exhibit A

ABBREVIATED LEGAL
DESCRIPTION (Grantee): Lot 5 Sierra Pacific BSP PL 08-0315 in the SE 1/4
of Sec. 9, Twp 34 N., R. 3 E, WM

Full Legal Description on Exhibit B

ASSESSOR'S TAX PARCEL
ID NO: Grantor: P21268, P131483
Grantee: P129953

REFERENCE NO. N/A

STORM WATER EASEMENT AGREEMENT

This Storm Water Easement Agreement (this "Easement") is made this 12th day of July, 2021, by and between Sierra Pacific Industries, a California corporation, as successor by merger with Sierra Pacific Holding Company, a California corporation ("Grantor") and West Coast Reduction USA Inc., a Washington corporation ("Grantee").

RECITALS

A. Grantor is the owner of that certain real property located in Skagit County, Washington legally described in Exhibit A attached hereto (the "Grantor Property"). The Grantor Property is used in part as a drainage pond.

B. Grantee is the owner of that certain real property located in Skagit County, Washington legally described in Exhibit B attached hereto (the "Grantee Property"), which is located immediately adjacent to the east of the Grantor Property across McFarland Road. Grantee intends to develop the Grantee Property for use as a facility for processing and recycling animal byproducts.

C. Grantor previously granted a storm water easement to Lots 1-4 and Parcel A of BLA 200803040059 on the face of Binding Site Plan PL 08-0315 recorded under Skagit County Auditor's Recording Number 200911160068 ("BSP"), which allows the benefitted lots to drain into Pond Tract F (which is located immediately north of the pond located on the north portion of Lot 8 of the Grantor Property). Because of the configuration of the site, the Grantee Property (Lot 5) is unable to drain into Pond Tract F, and instead will drain into the existing drainage pond on the northerly portion of the Grantor Property (Lot 8).

D. In connection with Grantee's proposed development, the parties are entering into this Easement in order to allow Grantee to drain treated storm water over, through, and under the Grantor Property.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Recitals. The foregoing recitals are true and correct and are hereby incorporated herein by this reference.

2. Grant of Storm Water Easement: Grantee Property Benefitted. Grantor hereby grants a permanent, non-exclusive easement in favor of the Grantee Property for treated storm water purposes, including the right to construct, maintain, operate, and use a storm water system ("Storm Water System") over, across, and under the Grantor Property. The rights granted pursuant to the Easement shall be considered appurtenant to the Grantee Property and the benefits and burdens thereof shall run with the Grantee Property and the Grantor Property, respectively.

3. Maintenance Responsibility. Except as otherwise provided in Section 4 below, Grantor is responsible to maintain the Storm Water System and to ensure that the owner and/or occupier of the Grantee Property has the continuing right to use and operate the Storm Water System for the Grantee Property, including the right of discharge of treated storm water from the Grantee Property into the public drainage facility beyond the detention and treatment facility.

4. Shared Responsibility for Capital Improvements. If, after all of the lots created on the face of the BSP (the "New Lots"), that utilize this detention basin and treatment facility, have been fully developed and constructed, capital improvements to the Storm Water System are required by any government agency having jurisdiction over the Storm Water System, Grantor, Grantee and all other properties benefiting from the Storm Water System as provided in the BSP shall each bear a proportionate share of such costs based upon relative impervious areas of the parcels.

5. Indemnity. Grantor shall protect, defend, indemnify and hold Grantee and its agents, employees, and representatives harmless for, from and against any and all claims, including without limitation common law claims, regardless of when such claims are brought, for physical, emotional or mental injury, death, property damage or monetary damage that arise out of or relate in any way to the Storm Water System and the Grantor Property and are caused by the acts or omissions of Grantor, including without limitation, the (i) right of operation and use by Grantee of the Storm Water System and the Grantor Property and discharge of treated storm water from the Grantee Property into the public drainage facility beyond the detention and treatment facility as provided for by Grantor in this Easement, including Section 3 above; (ii) use, storage, release, contamination, spill or spread of any Hazardous Substance(s) on, under, over, into or about the Storm Water System or the Grantor Property by Grantor or its agents, employees, representatives or subcontractors; (iii) violation of any federal, state or local law, statute, regulation or ordinance pertaining to the use of the Easement Area or Storm Water System by Grantor; or (iv) breach or default of Grantor's responsibility to maintain the Storm Water System as provided for in Section 3 above. For the purposes of this Easement, "Hazardous Substances" shall mean and include, but shall not be limited to, any and all flammable explosives, asbestos, radioactive materials, hazardous wastes, toxic substances, related injurious materials, whether injurious by themselves or in combination with other materials, and all substances defined as "hazardous substances," "hazardous materials," or "toxic substances" in the Comprehensive Environmental Response, Combination and Liability Act, as amended, 42 U.S.C. Sections 9601, et seq.; the Hazardous Materials Transportation Act, as amended, 49 U.S.C. Sections 1801, et seq.; and the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Sections 6901, et seq. the Chapter 70.105 of the Revised Code of Washington ("RCW") (Washington Hazardous Waste Management Act), Chapter 70.105D RCW (Washington Model Toxics Control Act), Chapter 90.48 RCW (Washington Water Pollution Control Act), Chapter 70.95 RCW (Washington Solid Waste Management Act), Chapter 70.148 RCW (Washington Underground Petroleum Storage Tanks Act), and Chapter 70.94 RCW (Washington Clean Air Act)).

6. Remedies. If Grantor herein fails to perform its maintenance responsibility as provided for in Section 3 above, Grantee may, after five (5) business days' notice, take all action it deems appropriate to enforce such covenant, including (i) commencing an action for an

injunction or to specifically enforce this covenant and (ii) entering upon the Grantor Property for the purpose of curing such breach (such as by performing or causing to be performed maintenance of the Storm Water System). The remedies set forth in this Section shall be at the sole cost and expense of Grantor failing to perform its obligations under this Storm Water Easement and Grantor shall immediately reimburse Grantee for the cost of such cure upon demand, including reasonable attorneys' fees and costs for enforcing such reimbursement right or otherwise pursuing an injunction or specific performance.

7. Counterparts. This Easement may be signed in counterparts, and each signed counterpart will be deemed an original, and all counterparts together will constitute one and the same agreement. Electronic transmission of any signed original documents, and retransmission of any signed electronic transmission, will be the same as delivery of an original.

8. Severability. The unenforceability, invalidity or illegality of any provision of this Easement shall not render any other provision unenforceable, invalid or illegal.

9. Attorneys' Fees. If any legal action or any other proceeding, including arbitration or action for declaratory relief, is brought for the enforcement of this Easement or because of an alleged dispute, breach, default or misrepresentation in connection with this Easement, the Prevailing Party shall be entitled to recover reasonable attorney fees and costs, in addition to any other relief to which the party may be entitled. Any such attorney fees and costs incurred by the Prevailing Party in enforcing a judgment in its favor under this Easement shall be recoverable separately from and in addition to any other amount included in such judgment, and such obligation to pay attorney fees and costs is intended to be severable from the other provisions of this Easement and to survive and not be merged into any such judgment.

10. Governing Law. This Easement shall be construed and interpreted in accordance with the laws of the State of Washington.

11. No Waiver. No waiver of any breach of any covenant or provision in this Easement shall be deemed a waiver of any other covenant or provision in this Easement, and no waiver shall be valid unless in writing and executed by the waiving party. No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act.

12. Interpretation. This Easement is the result of arm's length negotiation between the parties hereto and shall not be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it.

13. Entire Agreement. This Easement contains the entire agreement between the parties with respect to the subject matter hereof, and expressly supersedes all previous or contemporaneous agreements regarding any term(s) or provision(s) of this Easement.

14. Amendment. This Easement may not be modified or amended except by a written instrument executed by each party.

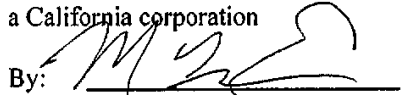
15. Incorporation of Exhibits. All exhibits attached hereto are hereby incorporated by reference.

16. Successors. This Easement is a covenant running with the Grantor Property and the Grantee Property, and shall be binding on Grantor's and Grantee's heirs, successors and assigns.

[Signatures Follow]

IN WITNESS WHEREOF, this Easement is dated as of the first date above written.

GRANTOR: **SIERRA PACIFIC INDUSTRIES,**
a California corporation

By: 
Name: M.D. EMMERTSON
Title: CHAIRMAN / CEO

GRANTEE: **WEST COAST REDUCTION USA INC.,**
a Washington corporation

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, this Easement is dated as of the first date above written.

GRANTOR: **SIERRA PACIFIC INDUSTRIES,**
a California corporation

By: _____
Name: _____
Title: _____

GRANTEE: **WEST COAST REDUCTION USA INC.,**
a Washington corporation

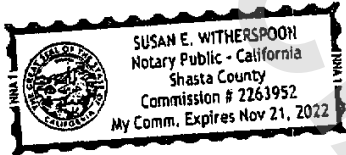
By: *Thid Bestwick*
Name: THOMAS RIDLEY BESTWICK
Title: CORPORATE SECRETARY

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of Shasta)

On July 8, 2021 before me, Susan E. Witherspoon,
Notary Public, personally appeared M.D. Emerson, who proved
to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to
the within instrument and acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of
the State of California that the foregoing paragraph is true
and correct.

WITNESS my hand and official seal.

Signature Susan E. Witherspoon
Signature of Notary Public

(Affix Seal Above)

NOTARIAL CERTIFICATE

CANADA) TO ALL WHOM THESE
 PROVINCE OF) PRESENTS MAY COME,
 BRITISH COLUMBIA) BE SEEN, OR KNOWN:

TO WIT:


I, PETER J. BROWN, a SOLICITOR and Notary Public in and for the Province of British Columbia, by Royal Authority duly appointed, residing in the City of Vancouver, British Columbia, Canada

DO CERTIFY AND ATTEST that the document hereto annexed, STORM WATER EASEMENT AGREEMENT was signed by THOMAS ADLEY BESTWICK in my presence. I confirm that THOMAS ADLEY BESTWICK produced his British Columbia driver's license No. 1745597 and evidencing his identity as CORPORATE SECRETARY of West Coast Reduction USA Inc., a Washington corporation, an act whereof being requested I have granted under my Notarial Form and Seal of Office to serve and avail as occasion shall or may require.

IN TESTIMONY WHEREOF I have hereunto subscribed my name, and affixed my Notarial Seal of Office.

Dated at the City of VANCOUVER,
 in the Province of British Columbia,
 this 8TH day of JULY, 2021

Original signed by:



PETER JOSEPH BROWN (Print Name)
 A Notary Public in and for the Province of British Columbia
 A Commissioner of Oaths in and for the Province of British Columbia

PETER J. BROWN
 Barrister & Solicitor
 1900 - 1040 W. GEORGIA ST.
 VANCOUVER, B.C. V6E 4H3
 604-689-1811

EXHIBIT A
TO STORM WATER EASEMENT AGREEMENT

Legal Description of the Grantor Property

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON, AND IS DESCRIBED AS FOLLOWS:

LOT 8, "SIERRA PACIFIC BINDING SITE PLAN PL08-0315" APPROVED NOVEMBER 16, 2009 AND RECORDED NOVEMBER 16, 2009 AS SKAGIT COUNTY AUDITOR'S FILE NO. 200911160068.

TOGETHER WITH THAT PORTION OF LOT 5, "SIERRA PACIFIC BINDING SITE PLAN PL 08-0315" APPROVED NOVEMBER 16, 2009 AND RECORDED NOVEMBER 16, 2009 AS SKAGIT COUNTY AUDITOR'S FILE NO. 200911160068, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 5 OF SAID BINDING SITE PLAN AND A COMMON CORNER TO LOT 8, THENCE NORTH $1^{\circ}15'35''$ EAST, A DISTANCE OF 628.07 FEET, ALONG THE EAST LINE OF LOT 5 TO THE NORTHEAST CORNER THEREOF AND THE SOUTHEAST CORNER OF LOT 4;

THENCE SOUTH $84^{\circ}42'43''$ WEST, A DISTANCE OF 65.92 FEET ALONG THE NORTH LINE OF LOT 5;

THENCE SOUTH $1^{\circ}12'58''$ WEST, A DISTANCE OF 19.75 FEET TO A POINT OF CURVATURE TO THE RIGHT;

THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE (CONCAVE TO THE WEST) HAVING A RADIUS OF 731.18 FEET, THROUGH A CENTRAL ANGLE OF $27^{\circ}30'21''$, AN ARC DISTANCE OF 351.02 FEET TO A POINT OF COMPOUND CURVATURE;

THENCE CONTINUING ALONG THE ARC OF SAID CURVE TO THE RIGHT HAVING A RADIUS OF 503.20 FEET, THROUGH A CENTRAL ANGLE OF $31^{\circ}30'33''$, AN ARC DISTANCE OF 276.73 FEET TO A POINT OF COMPOUND CURVATURE;

THENCE CONTINUING ALONG THE ARC OF SAID CURVE TO THE RIGHT HAVING A RADIUS OF 963.21 FEET, THROUGH A CENTRAL ANGLE OF $9^{\circ}35'57''$, AN ARC DISTANCE OF 161.37 FEET TO A NON-TANGENT POINT ON THE SOUTH LINE OF LOT 5;

THENCE CONTINUING ALONG THE SOUTH LINE OF LOT 5 SOUTH $89^{\circ}36'55''$ EAST, A DISTANCE OF 479.63 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

TOGETHER WITH THOSE PORTIONS OF MCFARLAND ROAD VACATED BY SKAGIT COUNTY COMMISSIONERS RESOLUTION # R20130086, RECORDED AS AUDITOR'S FILE NO. 201304100078.

EXHIBIT B
TO STORM WATER EASEMENT AGREEMENT

Legal Description of the Grantee Property

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON, AND IS DESCRIBED AS FOLLOWS:

LOT 5, "SIERRA PACIFIC BINDING SITE PLAN PL08-0315" APPROVED NOVEMBER 16, 2009 AND RECORDED NOVEMBER 16, 2009 AS SKAGIT COUNTY AUDITOR'S FILE NO. 200911160068.

EXCEPT THAT PORTION OF SAID LOT 5 DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 5 OF SAID BINDING SITE PLAN AND A COMMON CORNER TO LOT 8, THENCE NORTH $1^{\circ}15'35''$ EAST, A DISTANCE OF 628.07 FEET, ALONG THE EAST LINE OF LOT 5 TO THE NORTHEAST CORNER THEREOF AND THE SOUTHEAST CORNER OF LOT 4;

THENCE SOUTH $84^{\circ}42'43''$ WEST, A DISTANCE OF 65.92 FEET ALONG THE NORTH LINE OF LOT 5;

THENCE SOUTH $1^{\circ}12'58''$ WEST, A DISTANCE OF 19.75 FEET TO A POINT OF CURVATURE TO THE RIGHT;

THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE (CONCAVE TO THE WEST) HAVING A RADIUS OF 731.18 FEET, THROUGH A CENTRAL ANGLE OF $27^{\circ}30'21''$, AN ARC DISTANCE OF 351.02 FEET TO A POINT OF COMPOUND CURVATURE;

THENCE CONTINUING ALONG THE ARC OF SAID CURVE TO THE RIGHT HAVING A RADIUS OF 503.20 FEET, THROUGH A CENTRAL ANGLE OF $31^{\circ}30'33''$, AN ARC DISTANCE OF 276.73 FEET TO A POINT OF COMPOUND CURVATURE;

THENCE CONTINUING ALONG THE ARC OF SAID CURVE TO THE RIGHT HAVING A RADIUS OF 963.21 FEET, THROUGH A CENTRAL ANGLE OF $9^{\circ}35'57''$, AN ARC DISTANCE OF 161.37 FEET TO A NON-TANGENT POINT ON THE SOUTH LINE OF LOT 5;

THENCE CONTINUING ALONG THE SOUTH LINE OF LOT 5 SOUTH $89^{\circ}36'55''$ EAST, A DISTANCE OF 479.63 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

ALL OF THE ABOVE BEING PORTIONS OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 9, TOWNSHIP 34 NORTH, RANGE 3 EAST, W.M.