

1 **SPONSORED BY:** _____

2 **PROPOSED BY:** Facilities

3 **INTRODUCTION DATE:** _____

4 RESOLUTION NO. _____

5 RESOLUTION APPROVING THE SALE OF EASEMENTS ON WHATCOM COUNTY PROPERTY
6 LOCATED AT 3645 EAST MCLEOD ROAD TO VERIZON WIRELESS
7

8 WHEREAS, Whatcom County owns a property at 3645 E. McLeod Road known as the “Whatcom
9 Counseling Center Property”, tax parcel number 380316 365284 0000; and

10 WHEREAS, Compass Health leases the property from Whatcom County for the purposes of operating a
11 mental health and counseling facility; and

12 WHEREAS, T-Mobile West Tower LLC operates a cell tower on the property through a lease agreement;
13 and

14 WHEREAS, Crown Castle manages the cell tower operation on behalf of T-Mobile West Tower LLC; and

15 WHEREAS, Cellco Partnership d/b/a, Verizon Wireless (Verizon) utilizes the cell tower through a separate
16 agreement with Crown Castle; and

17 WHEREAS, Verizon has requested from Puget Sound Energy to install electrical facilities necessary for a
18 cell tower upgrade and Puget Sound Energy has requested a utility easement be recorded on the property for
19 the purposes of installation and maintenance of said electrical facilities; and

20 WHEREAS, Verizon has requested a separate utility easement in their name within the same legal
21 description of the proposed Puget Sound Energy utility easement; and

22 WHEREAS, while the cell tower lease agreement does provide for the accommodation of utilities in support
23 of the cell tower, it does not grant blanket approval for the granting of utility easements; and

24 WHEREAS, the County Code does not specifically address the procedure for conveying a limited interest in
25 County property; and

26 WHEREAS, Facilities and the Executive’s Office is supportive of granting a utility easement to Verizon and
27 a utility easement to Puget Sound Energy to support Verizon cell tower upgrade; and

28 WHEREAS, as compensation for the easements Verizon will be required to pay Whatcom County
29 \$14,000.00 as agreed to by the two parties; and

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2 NOW, THEREFORE, BE IT RESOLVED by the Whatcom County Council that the Executive is authorized
3 to conclude the sale of the easements as set forth in Exhibit 1 to the Grantees subject to full payment and to
4 the terms and conditions of the easements.

5 APPROVED this _____ day of _____, 2025

6
7 ATTEST: WHATCOM COUNTY COUNCIL
8 WHATCOM COUNTY, WASHINGTON
9

10 _____
11 Cathy Halka, County Clerk Kaylee Galloway, Council Chair
12

13 APPROVED AS TO FORM:
14

15
16 Christopher Quinn
17 Chief Civil Deputy Prosecutor
18 (authorized via email 5/9/2025)

Exhibit 1

Puget Sound Energy Easement and Verizon Wireless Grant of Easement Documents

RETURN ADDRESS:

Puget Sound Energy, Inc.
Attn: Real Estate/Right of Way
1660 Park Lane
Burlington, WA 98233



EASEMENT

REFERENCE #: N/A
GRANTOR: WHATCOM COUNTY
GRANTEE: PUGET SOUND ENERGY, INC.
SHORT LEGAL: PTN SW NE QTR, SEC 16-38N-3E
ASSESSOR'S TAX #: 380316 365284 0000 / PID 59427

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **WHATCOM COUNTY**, a Washington municipal corporation ("Owner"), hereby grants and conveys to **PUGET SOUND ENERGY, INC.**, a Washington corporation ("PSE"), for the purposes hereinafter set forth, a nonexclusive perpetual easement over, under, along, across and through the following described real property in Whatcom County, Washington (the "Property"):

SEE EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

Except as may be otherwise set forth herein, PSE's rights shall be exercised upon that portion of the Property the ("Easement Area") described as follows:

A RIGHT OF WAY TEN (10) FEET IN WIDTH WITH FIVE (5) FEET ON EACH SIDE OF A CENTERLINE DESCRIBED AS FOLLOWS:

THE CENTERLINE OF GRANTEE'S FACILITIES AS NOW CONSTRUCTED, TO BE CONSTRUCTED, EXTENDED OR RELOCATED LYING WITHIN THE ABOVE DESCRIBED PARCEL.

SEE EXHIBIT "B" ATTACHED AS A VISUAL AID ONLY.

1. Purpose. PSE shall have the right to use the Easement Area to construct, operate, maintain, repair, replace, improve, remove, upgrade and extend one or more utility systems for the purposes of transmission, distribution and sale of electricity. Such systems may include:

Underground facilities. Conduits, lines, cables, vaults, switches and transformers for electricity; fiber optic cable and other lines, cables and facilities for communications; semi-buried or ground-mounted facilities and pads, manholes, meters, fixtures, attachments and any and all other facilities or appurtenances necessary or convenient to any or all of the foregoing.

Following the initial construction of all or a portion of its systems, PSE may, from time to time, construct such additional facilities as it may require for such systems.

2. Access. PSE shall have a reasonable right of access to the Easement Area over and across the Property to enable PSE to exercise its rights granted in this easement.

3. Easement Area Clearing and Maintenance. PSE shall have the right to cut, remove and dispose of any and all brush, trees or other vegetation in the Easement Area. PSE shall also have the right to control, on a continuing basis and by any prudent and reasonable means, the establishment and growth of brush, trees or other vegetation in the Easement Area.

4. Restoration. Following the initial installation, repair or extension of its facilities, PSE shall, to the extent reasonably practicable, restore landscaping and surfaces and portions of the Property affected by PSE's work to the condition existing immediately prior to such work. PSE shall use good faith efforts to perform its restoration obligations under this paragraph as soon as reasonably possible after the completion of PSE's work.

5. Owner's Use of Easement Area. Owner reserves the right to use the Easement Area for any purpose not inconsistent with the rights herein granted, provided, however, Owner shall not perform the following activities without PSE's prior written consent: (1) excavate within or otherwise change the grade of the Easement Area; (2) construct or maintain any buildings, structures or other objects on the Easement Area; and/or (3) conduct any blasting within 300 feet of PSE's facilities.

6. Indemnity. PSE agrees to indemnify Owner from and against liability incurred by Owner as a result of PSE's negligence, or the negligence of PSE's employees, agents or contractors in the exercise of the rights herein granted to PSE, but nothing herein shall require PSE to indemnify Owner for that portion of any such liability attributable to the negligence of Owner, its employees, agents or contractors or the negligence of third parties.

7. Attorneys' Fees. The prevailing party in any lawsuit brought to enforce or interpret the terms of this Easement shall be entitled to recover its reasonable attorneys' fees and costs incurred in said suit, including on appeal.

8. Successors and Assigns. This Easement is binding upon and will inure to the benefit of the successors and permitted assigns of the parties. PSE may not assign or otherwise transfer any of its rights, obligations or interest under this Easement without the prior written consent of Owner, which consent may not be unreasonably withheld. Notwithstanding the foregoing, PSE may assign this Easement to an affiliate or in connection with a merger, acquisition, corporate reorganization, sale of assets or other change in control.

9. Complete Agreement; Amendment; Counterparts. This Easement contains the entire agreement of the parties with respect to this subject matter and supersedes all prior writings or discussions relating to the Easement. This Easement may not be amended except by a written document executed by the authorized representatives of Owner and PSE. This Easement may be executed in counterparts, each of which shall be treated as an original for all purposes and all executed counterparts shall constitute one agreement.

10. Warranty and Representation of Authority. The parties each represent to the other that the person or persons executing this Easement have authority to do so and to bind the parties hereunder. All consents, permissions and approvals related to this Easement, and the obligations hereunder, have been obtained. Owner further warrants to PSE that it has the necessary right, title and interests in the Property to grant the easement rights set forth herein.

12. Severability. Invalidity of any of the provisions contained in this Easement, or of the application thereof to any person, by judgment or court order, shall in no way affect any of the other provisions thereof or the application thereof to any other person and the same shall remain in full force and effect. If a provision is found to be unenforceable or invalid, that provision shall be modified or

partially enforced to the maximum extent permitted by law to effectuate the purpose of this agreement.

13. Non-Waiver. The failure of any party to insist upon strict performance of any of the terms, covenants or conditions hereof shall not be deemed a waiver of any rights or remedies which that party may have hereunder or at law or equity and shall not be deemed a waiver of any subsequent breach or default in any of such terms, covenants or conditions.

[signatures follow next page]

Exhibit "A"

That portion of the Southwest quarter of the Northeast quarter of Section 16, Township 38 North, Range 3 East of W.M., described as follows:

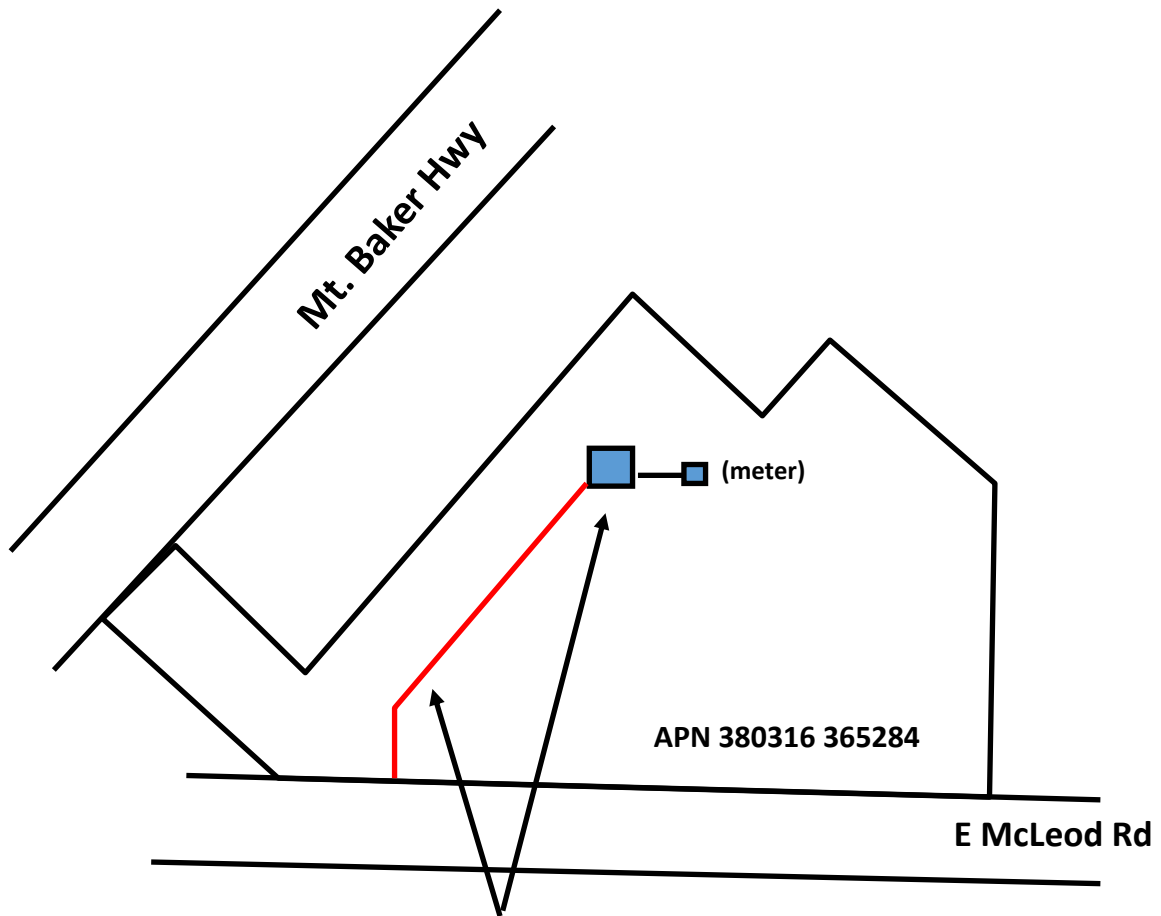
Beginning at the intersection of the East line of the Southwest quarter of the Northeast quarter with the Southeasterly line of the Mt. Baker Highway, said point being 134.80 feet south of the Northeast corner of said Southwest quarter of the Northeast quarter; and running thence South 40°37'00" West, along the Southeasterly line of said highway, 646.74 feet; thence South 49°23'00" East 350.00 feet to the most Easterly corner of the tract conveyed to G.W. Mohnkern and wife by deed recorded under Auditor's File No. 1012728 and the true point of beginning of the tract to be described; running thence South 40°37'00" West 96.00 feet; thence North 49°23'00" West 175.00 feet; thence South 40°37'00" West 579.00 feet; thence South 49°23'00" East to the South line of the Southwest quarter of the Northeast quarter; thence East to the Southeast corner of the Southwest quarter of the Northeast quarter; thence North to a point on the East line of the Southwest quarter of the Northeast quarter which bears South 49°23'00" East from the point of beginning, said point also being the Southeast corner of the tract conveyed to G.W. Mohnkern and wife by deed recorded under Auditor's File No. 970784; thence North 49°23'00" West to the point of beginning, Except right-of-way for McLeod Road lying along the South line thereof; also Together With the following described tract:

A tract of land located in the Southwest quarter of the Northeast quarter of said Section 16, described as follows:

Beginning at the point of intersection of the East line of the Southwest quarter of the Northeast quarter of said Section 16, with the Southeasterly line of the Mt. Baker Highway, formerly known as the Northeast Diagonal Road, the said point of the beginning being 134.80 feet South of the Northeast corner of the Southwest quarter of the Northeast quarter; thence South 40°37'00" West along the Southeasterly of the Mt. Baker Highway, 772.00 feet to the true point of beginning; thence South 49°23'00" East 175.00 feet; thence South 40°37'00" West 99.00 feet; thence North 49°23'00" West 175.00 feet to the Southeasterly line of the Mt. Baker Highway; thence North 40°37'00" East along said Southeasterly line of the Mt. Baker Highway 99.00 feet to the point of beginning, Except right-of-way for the Mt. Baker Highway lying along the Northwest line thereof.

Situate in Whatcom County, Washington.

Exhibit "B"



Approximate location of underground facilities

Drawing not to scale

EXHIBIT B

EASEMENT LEGAL DESCRIPTION

A TRACT OF LAND LOCATED IN THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 3 EAST, WILLAMETTE MERIDIAN, WHATCOM COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

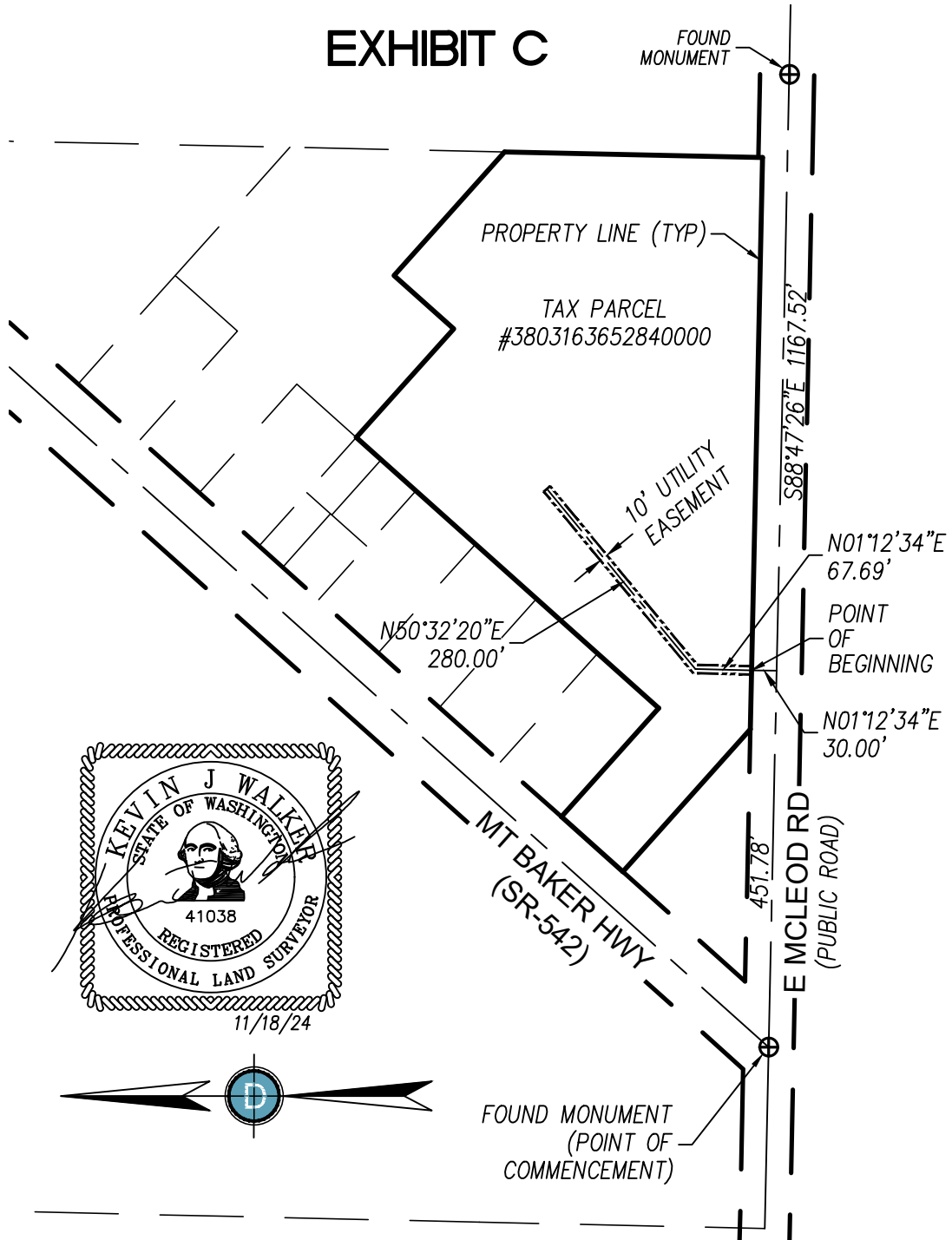
SAID TRACT BEING A 10 FOOT WIDE STRIP LYING 5 FEET ON BOTH SIDES OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT A FOUND MONUMENT AT THE INTERSECTION OF EAST MCLEOD ROAD AND MT BAKER HIGHWAY (SR-542);
THENCE ALONG THE CENTERLINE OF SAID MCLEOD ROAD, SOUTH 88°47'26" EAST, 451.78 FEET;
THENCE NORTH 01°12'34" EAST, 30.00 FEET TO THE POINT OF BEGINNING;
THENCE NORTH 01°12'34" EAST, 67.69 FEET;
THENCE NORTH 50°32'20" EAST, 280.00 FEET TO THE TERMINUS OF THIS CENTERLINE DESCRIPTION;

SIDELINES TO BE LENGTHENED OR SHORTENED TO CONNECT WITH EACH OTHER.



EXHIBIT C



FILED FOR RECORD AT REQUEST OF
AND WHEN RECORDED RETURN TO:
Tock & Corl PLLC
Attn: S. Ward
17502 Marine Drive
Stanwood, WA 98292
BEL McLEOD
MDG: 5000230552

Space above this line is for Recorder's use.

GRANT OF EASEMENT

Grantor:	Whatcom County, a Washington municipal corporation
Grantee:	Cellco Partnership d/b/a Verizon Wireless
Legal Description:	Tract located in SW ¼ of NE ¼ of Section 16, T38N, R3E, W.M., County of Whatcom, State of Washington Official legal description attached as Exhibit "A"
Assessor's Tax Parcel ID#:	380316-365284-0000
Reference # (if applicable):	N/A

GRANT OF EASEMENT

THIS GRANT OF EASEMENT ("**Easement**") is dated as of the ____ day of _____, 202__, by Whatcom County, a Washington municipal corporation (hereinafter "**Grantor**"), and Cellco Partnership d/b/a Verizon Wireless, whose principal place of business is One Verizon Way, Mail Stop 4AW100, Basking Ridge, New Jersey 07920 (hereinafter "**Grantee**").

WHEREAS, Grantor is the owner of certain real property located at 3645 E. McLeod Road, Bellingham, County of Whatcom, State of Washington 98226, legally described in **Exhibit "A"** attached hereto (the "**Property**").

WHEREAS, Grantee is the owner of a leasehold estate in certain real property as legally described in **Exhibit "A"** attached hereto (the "**Leased Premises**"), pursuant to a Site Supplement dated October 9, 2019 (the "**Supplement**") between CCTMO LLC and Grantee; the leasehold is within or adjacent to the Property.

WHEREAS, Grantee intends to build and maintain a communications facility on the Leased Premises.

WHEREAS, Grantor has agreed to convey to Grantee an easement over, under and across the Property (the "**Easement Area**"), as described in Exhibit "**B**" attached hereto and made a part hereof.

WHEREAS, Grantor and Grantee are entering into this Easement in consideration of the Grantor and Puget Sound Energy ("**PSE**") entering into a separate utility easement substantially in the form attached hereto as Exhibit "**C**" to this Easement.

NOW, THEREFORE, for and in consideration of the covenants contained herein, the parties agree as follows:

1. Grant of Easement. Grantor hereby grants to Grantee, its successors and assigns, a non-exclusive easement over, under and across the Easement Area for purposes of ingress and egress and for the installation, operation and maintenance of wires, cables, conduits and pipes for all necessary electrical, telephone, fiber and other similar support services as deemed necessary or appropriate by Grantee for the operation of its communications facility.

a. Each party shall utilize its estate in a manner which will minimize interference with the other party's use of its estate.

b. Upon completion of construction, Grantee shall restore the Easement Area to substantially its pre-existing condition.

2. **Compensation.** As compensation for Grantor's execution of the separate PSE Easement, Grantee agrees to pay Grantor a one-time payment of \$14,000.00 for the term of this Easement, which shall be due and payable within ninety (90) days of full execution of this Easement.

3. **No Permanent Structures.** Grantor hereby covenants for and on behalf of itself, its heirs, successors or assigns, that neither it, nor any of them, shall construct or permit to be constructed, any building or any other permanent structure within the Easement Area, or permit any permanent excavation to be made within the Easement Area.

4. **Term.** The easement, rights, and privileges herein granted shall be for a term coinciding with the term of the Supplement, including any renewals thereof, and shall, without any further action on the part of Grantor or Grantee, terminate immediately upon the termination of said Supplement. Upon termination of this Easement for any reason, at Grantor's request Grantee shall execute with acknowledgement and deliver a notice of termination in form suitable for recording in the official records of the County.

5. **Termination for Default.** Upon Grantee's default hereunder, Grantor may deliver to Grantee a written notice of default, stating with specificity the nature of Grantee's default. If Grantee has not cured the default within a reasonable time (but not less than 30 days for a monetary default and 60 days for a non-monetary default) after receipt of the notice of default, Grantor may terminate this Easement effective immediately upon receipt by Grantee of Grantor's written notice of termination.

6. **Indemnification.** Grantee agrees to indemnify, defend and hold Grantor harmless from and against any direct injury, loss, damage or liability, costs or expenses (including reasonable attorneys' fees and court costs) to the extent resulting from its use of the Easement Area, except to the extent attributable to the negligent or intentional act or omission of Grantor or its servants or agents. Grantor agrees to indemnify, defend and hold Grantee harmless from and against any and all direct injury, loss, damage or liability (or any claims in respect of the foregoing), costs or expenses (including reasonable attorneys' fees and court costs) arising from the actions or failure to act of Grantor or its agents, except to the extent attributable to the negligent or intentional act or omission of Grantee or its servants or agents.

7. **Insurance.** Grantee will carry, at its own cost and expense, the following insurance: (i) commercial general liability insurance with a limit of liability of \$1,000,000 per occurrence for bodily injury (including death) and property damage and \$1,000,000 general aggregate; and (ii) Workers' Compensation Insurance as required by law. Grantee will include the Grantor as an additional insured as their interest may appear under this Agreement under its commercial general liability policy. Notwithstanding anything in this Easement, with respect to all loss, damage, or destruction to a party's property (including rental value and business interruption) occurring during the term of this Easement, Grantor and Grantee hereby release and waive all

claims (except for willful misconduct) against the other party and its employees, agents, officers, and directors. With respect to property damage, each party hereby waives all rights of subrogation against the other party, but only to the extent that collectible commercial insurance is available for said damage.

8. Assignment. Grantee may, at its discretion and upon written notification to Grantor, assign and delegate all or any portion of its rights and liabilities under this Easement in connection with any assignment of the Supplement, or sublease or license of all or a portion of the Leased Premises, without Grantor's consent. Grantee shall be released from its obligations hereunder only with the prior written consent of Grantor.

9. Dominant and Servient Tenements. This Easement is granted for the benefit of the Leased Premises, and is appurtenant to the Leased Premises. The Leased Premises are the dominant tenement and the Property is the servient tenement.

10. Notices & Contacts. All notices hereunder must be in writing and shall be sent certified mail, return receipt requested, to Licensor at Whatcom Public Works/RE Dept., 5280 Northwest Drive, Bellingham, Washington, 98226, (360)-778-6216, and to Licensee at 180 Washington Valley Road, Bedminster, New Jersey 07921, Attention Network –Real Estate, with a copy to Basking Ridge Mail Hub, Attention: Legal Intake, One Verizon Way, Basking Ridge, New Jersey 07920.

11. Abandonment and/or Termination. The rights herein granted shall continue until such time as Grantee ceases to use the Easement Area for a period of five (5) successive years, in which event, this Easement shall terminate and all rights hereunder, and any improvements remaining in the Easement Area, shall revert to or otherwise become the property of Grantor. However, no abandonment shall be deemed to have occurred by reason of Grantee's failure to initially install its systems on the Easement Area within any period of time from the date hereof.

12. Entire Agreement. This Easement constitutes the entire agreement between Grantor and Grantee relating to the above easement. Any prior agreements, promises, negotiations or representations not expressly set forth in this Easement are of no force and effect.

13. Binding Effect. This Easement shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors and assigns of Grantor and Grantee.

14. Amendments. Any modification or other termination of this Easement shall become effective only upon the execution by Grantor and Grantee of a written instrument.

15. Recording. Grantor agrees to execute a Memorandum of this Easement, and any amended Memorandum of Easement reflecting any material modifications to this Easement, which Grantee may record in the office of the County Clerk of Whatcom County, Washington.

IN WITNESS WHEREOF, this Grant of Easement has been executed and delivered as of the day and year first above written.

GRANTOR: Whatcom County, a Washington municipal corporation

Approved as to form:

Prosecuting Attorney

Satpal Sidhu, County Executive

Date: _____

Date: _____

GRANTEE: Cellco Partnership d/b/a Verizon Wireless

By: _____

Name: _____

Title: _____

Date: _____

GRANTOR ACKNOWLEDGMENT

STATE OF WASHINGTON }
COUNTY OF _____} SS

On this _____ day of _____, 202__, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared **SATPAL SIDHU**, to me known to be the person(s) who signed as County Executive, of **WHATCOM COUNTY, a Washington municipal corporation**, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be his free and voluntary act and deed and the free and voluntary act and deed of said **corporation**, for the uses and purposes therein mentioned; and on oath stated that he was authorized to execute the said instrument on behalf of said corporation.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State of Washington,
residing at _____

My Appointment Expires: _____

[illegible]

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

NOTARY PUBLIC in and for the State of WA,
residing at _____
My appointment expires _____
Print Name _____

EXHIBIT "A"

The "Property" and "Leased Premises"

Property Address: 3645 E. McLeod Road

State: Washington

County: Whatcom

City: Bellingham

APN: 380316-365284-0000

Legal Description (if available):

That portion of the Southwest quarter of the Northeast quarter of Section 16, Township 38 North, Range 3 East of W.M., described as follows:

Beginning at the intersection of the East line of the Southwest quarter of the Northeast quarter with the Southeasterly line of the Mt. Baker Highway, said point being 134.80 feet south of the Northeast corner of said Southwest quarter of the Northeast quarter; and running thence South 40°37'00" West, along the Southeasterly line of said highway, 646.74 feet; thence South 49°23'00" East 350.00 feet to the most Easterly corner of the tract conveyed to G.W. Mohnkern and wife by deed recorded under Auditor's File No. 1012728 and the true point of beginning of the tract to be described; running thence South 40°37'00" West 96.00 feet; thence North 49°23'00" West 175.00 feet; thence South 40°37'00" West 579.00 feet; thence South 49°23'00" East to the South line of the Southwest quarter of the Northeast quarter; thence East to the Southeast corner of the Southwest quarter of the Northeast quarter; thence North to a point on the East line of the Southwest quarter of the Northeast quarter which bears South 49°23'00" East from the point of beginning, said point also being the Southeast corner of the tract conveyed to G.W. Mohnkern and wife by deed recorded under Auditor's File No. 970784; thence North 49°23'00" West to the point of beginning, Except right-of-way for McLeod Road lying along the South line thereof; also Together With the following described tract:

A tract of land located in the Southwest quarter of the Northeast quarter of said Section 16, described as follows:

Beginning at the point of intersection of the East line of the Southwest quarter of the Northeast quarter of said Section 16, with the Southeasterly line of the Mt. Baker Highway, formerly known as the Northeast Diagonal Road, the said point of the beginning being 134.80 feet South of the Northeast corner of the Southwest quarter of the Northeast quarter; thence South 40°37'00" West along the Southeasterly of the Mt. Baker Highway, 772.00 feet to the true point of beginning; thence South 49°23'00" East 175.00 feet; thence South 40°37'00" West 99.00 feet; thence North 49°23'00" West 175.00 feet to the Southeasterly line of the Mt. Baker Highway; thence North 40°37'00" East along said Southeasterly line of the Mt. Baker Highway 99.00 feet to the point of beginning, Except right-of-way for the Mt. Baker Highway lying along the Northwest line thereof.

Situate in Whatcom County, Washington.

EXHIBIT "B" (Page 1 of 2)

**Easement Area
(Legal Description)**

A TRACT OF LAND LOCATED IN THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 3 EAST, WILLAMETTE MERIDIAN, WHATCOM COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

SAID TRACT BEING A 10 FOOT WIDE STRIP LYING 5 FEET ON BOTH SIDES OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT A FOUND MONUMENT AT THE INTERSECTION OF EAST MCLEOD ROAD AND MT BAKER HIGHWAY (SR-542);
THENCE ALONG THE CENTERLINE OF SAID MCLEOD ROAD, SOUTH 88°47'26" EAST, 451.78 FEET;
THENCE NORTH 01°12'34" EAST, 30.00 FEET TO THE POINT OF BEGINNING;
THENCE NORTH 01°12'34" EAST, 67.69 FEET;
THENCE NORTH 50°32'20" EAST, 280.00 FEET TO THE TERMINUS OF THIS CENTERLINE DESCRIPTION;

SIDELINES TO BE LENGTHENED OR SHORTENED TO CONNECT WITH EACH OTHER.



EXHIBIT "B" (Page 2 of 2)

Easement Area
(Site Drawing)

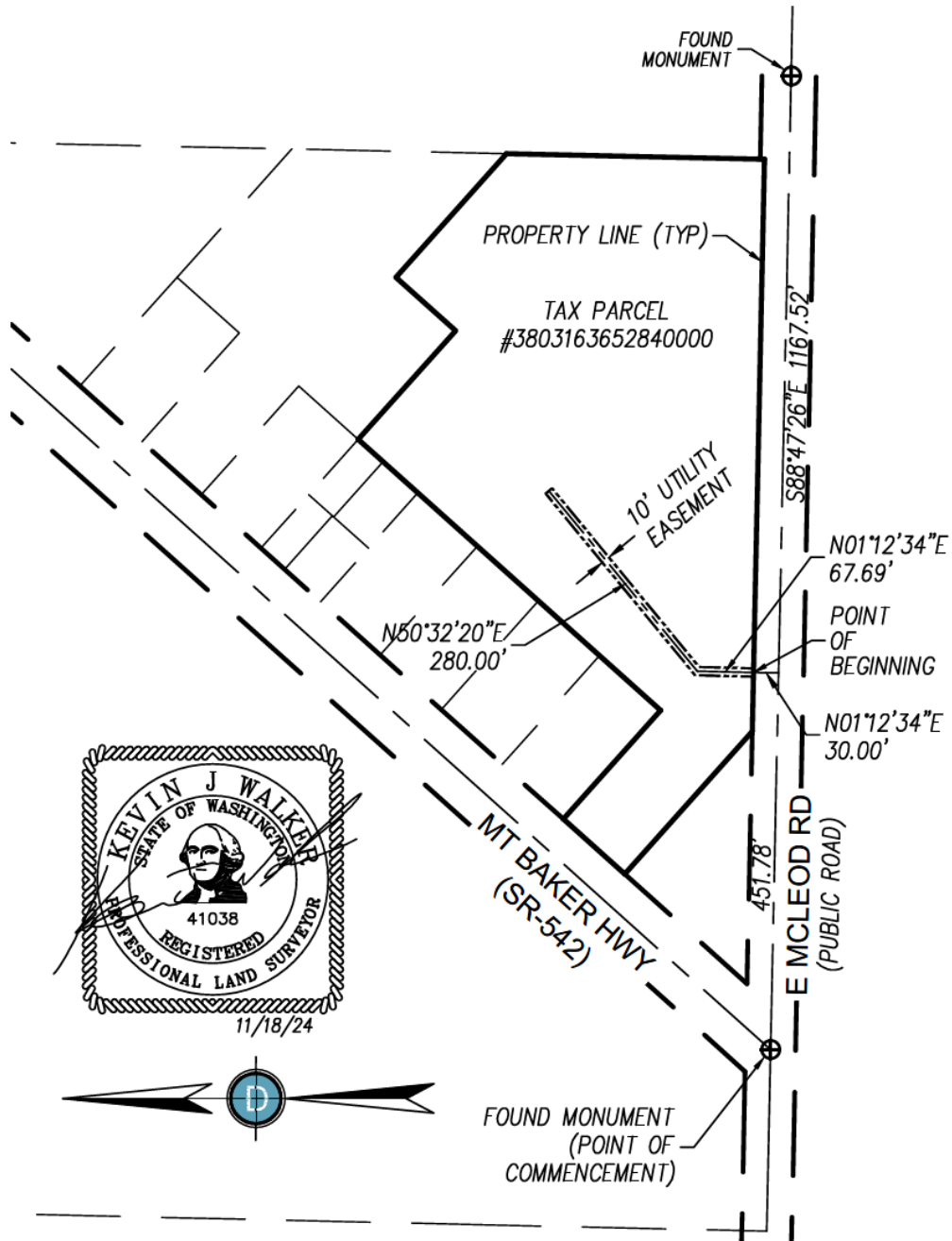


EXHIBIT "C"

Form PSE Easement Agreement

(See Attached)

RETURN ADDRESS:

Puget Sound Energy, Inc.
Attn: Real Estate/Right of Way
1660 Park Lane
Burlington, WA 98233



EASEMENT

REFERENCE #: N/A
GRANTOR: WHATCOM COUNTY
GRANTEE: PUGET SOUND ENERGY, INC.
SHORT LEGAL: PTN SW NE QTR, SEC 16-38N-3E
ASSESSOR'S TAX #: 380316 365284 0000 / PID 59427

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **WHATCOM COUNTY**, a Washington municipal corporation ("Owner"), hereby grants and conveys to **PUGET SOUND ENERGY, INC.**, a Washington corporation ("PSE"), for the purposes hereinafter set forth, a nonexclusive perpetual easement over, under, along, across and through the following described real property in Whatcom County, Washington (the "Property"):

SEE EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

Except as may be otherwise set forth herein, PSE's rights shall be exercised upon that portion of the Property the ("Easement Area") described as follows:

AS DESCRIBED IN ATTACHED EXHIBIT "B" AND AS DEPICTED IN ATTACHED EXHIBIT "C".

1. Purpose. PSE shall have the right to use the Easement Area to construct, operate, maintain, repair, replace, improve, remove, upgrade and extend one or more utility systems for the purposes of transmission, distribution and sale of electricity. Such systems may include:

Underground facilities. Conduits, lines, cables, vaults, switches and transformers for electricity; fiber optic cable and other lines, cables and facilities for communications; semi-buried or ground-mounted facilities and pads, manholes, meters, fixtures, attachments and any and all other facilities or appurtenances necessary or convenient to any or all of the foregoing.

Following the initial construction of all or a portion of its systems, PSE may, from time to time, construct such additional facilities as it may require for such systems.

2. Access. PSE shall have a reasonable right of access to the Easement Area over and across the Property to enable PSE to exercise its rights granted in this easement.

3. Easement Area Clearing and Maintenance. PSE shall have the right to cut, remove and dispose of any and all brush, trees or other vegetation in the Easement Area. PSE shall also have the right to control, on a continuing basis and by any prudent and reasonable means, the establishment and growth of brush, trees or other vegetation in the Easement Area.

4. Restoration. Following the initial installation, repair or extension of its facilities, PSE shall, to the extent reasonably practicable, restore landscaping and surfaces and portions of the Property affected by PSE's work to the condition existing immediately prior to such work. PSE shall use good faith efforts to perform its restoration obligations under this paragraph as soon as reasonably possible after the completion of PSE's work.

5. Owner's Use of Easement Area. Owner reserves the right to use the Easement Area for any purpose not inconsistent with the rights herein granted, provided, however, Owner shall not perform the following activities without PSE's prior written consent: (1) excavate within or otherwise change the grade of the Easement Area; (2) construct or maintain any buildings, structures or other objects on the Easement Area; and/or (3) conduct any blasting within 300 feet of PSE's facilities.

6. Indemnity. PSE agrees to indemnify Owner from and against liability incurred by Owner as a result of PSE's negligence, or the negligence of PSE's employees, agents or contractors in the exercise of the rights herein granted to PSE, but nothing herein shall require PSE to indemnify Owner for that portion of any such liability attributable to the negligence of Owner, its employees, agents or contractors or the negligence of third parties.

7. Attorneys' Fees. The prevailing party in any lawsuit brought to enforce or interpret the terms of this Easement shall be entitled to recover its reasonable attorneys' fees and costs incurred in said suit, including on appeal.

8. Successors and Assigns. This Easement is binding upon and will inure to the benefit of the successors and permitted assigns of the parties. PSE may not assign or otherwise transfer any of its rights, obligations or interest under this Easement without the prior written consent of Owner, which consent may not be unreasonably withheld. Notwithstanding the foregoing, PSE may assign this Easement to an affiliate or in connection with a merger, acquisition, corporate reorganization, sale of assets or other change in control.

9. Complete Agreement; Amendment; Counterparts. This Easement contains the entire agreement of the parties with respect to this subject matter and supersedes all prior writings or discussions relating to the Easement. This Easement may not be amended except by a written document executed by the authorized representatives of Owner and PSE. This Easement may be executed in counterparts, each of which shall be treated as an original for all purposes and all executed counterparts shall constitute one agreement.

10. Warranty and Representation of Authority. The parties each represent to the other that the person or persons executing this Easement have authority to do so and to bind the parties hereunder. All consents, permissions and approvals related to this Easement, and the obligations hereunder, have been obtained. Owner further warrants to PSE that it has the necessary right, title and interests in the Property to grant the easement rights set forth herein.

12. Severability. Invalidation of any of the provisions contained in this Easement, or of the application thereof to any person, by judgment or court order, shall in no way affect any of the other provisions thereof or the application thereof to any other person and the same shall remain in full force and effect. If a provision is found to be unenforceable or invalid, that provision shall be modified or partially enforced to the maximum extent permitted by law to effectuate the purpose of this agreement.

13. Non-Waiver. The failure of any party to insist upon strict performance of any of the terms, covenants or conditions hereof shall not be deemed a waiver of any rights or remedies which that party

may have hereunder or at law or equity and shall not be deemed a waiver of any subsequent breach or default in any of such terms, covenants or conditions.

14. Abandonment and/or Termination. The rights herein granted shall continue until such time as Grantee ceases to use the Easement Area for a period of five (5) successive, in which event, this easement shall terminate and all rights hereunder, and any improvements remaining in the Easement Area, shall revert to or otherwise become the property of Grantor. However, no abandonment shall be deemed to have occurred by reason of Grantee's failure to initially install its systems on the Easement Area within any period of time from the date hereof.

[signatures follow next page]

Exhibit "A"

That portion of the Southwest quarter of the Northeast quarter of Section 16, Township 38 North, Range 3 East of W.M., described as follows:

Beginning at the intersection of the East line of the Southwest quarter of the Northeast quarter with the Southeasterly line of the Mt. Baker Highway, said point being 134.80 feet south of the Northeast corner of said Southwest quarter of the Northeast quarter; and running thence South 40°37'00" West, along the Southeasterly line of said highway, 646.74 feet; thence South 49°23'00" East 350.00 feet to the most Easterly corner of the tract conveyed to G.W. Mohnkern and wife by deed recorded under Auditor's File No. 1012728 and the true point of beginning of the tract to be described; running thence South 40°37'00" West 96.00 feet; thence North 49°23'00" West 175.00 feet; thence South 40°37'00" West 579.00 feet; thence South 49°23'00" East to the South line of the Southwest quarter of the Northeast quarter; thence East to the Southeast corner of the Southwest quarter of the Northeast quarter; thence North to a point on the East line of the Southwest quarter of the Northeast quarter which bears South 49°23'00" East from the point of beginning, said point also being the Southeast corner of the tract conveyed to G.W. Mohnkern and wife by deed recorded under Auditor's File No. 970784; thence North 49°23'00" West to the point of beginning, Except right-of-way for McLeod Road lying along the South line thereof; also Together With the following described tract:

A tract of land located in the Southwest quarter of the Northeast quarter of said Section 16, described as follows:

Beginning at the point of intersection of the East line of the Southwest quarter of the Northeast quarter of said Section 16, with the Southeasterly line of the Mt. Baker Highway, formerly known as the Northeast Diagonal Road, the said point of the beginning being 134.80 feet South of the Northeast corner of the Southwest quarter of the Northeast quarter; thence South 40°37'00" West along the Southeasterly of the Mt. Baker Highway, 772.00 feet to the true point of beginning; thence South 49°23'00" East 175.00 feet; thence South 40°37'00" West 99.00 feet; thence North 49°23'00" West 175.00 feet to the Southeasterly line of the Mt. Baker Highway; thence North 40°37'00" East along said Southeasterly line of the Mt. Baker Highway 99.00 feet to the point of beginning, Except right-of-way for the Mt. Baker Highway lying along the Northwest line thereof.

Situate in Whatcom County, Washington.

EXHIBIT B

EASEMENT LEGAL DESCRIPTION

A TRACT OF LAND LOCATED IN THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 3 EAST, WILLAMETTE MERIDIAN, WHATCOM COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

SAID TRACT BEING A 10 FOOT WIDE STRIP LYING 5 FEET ON BOTH SIDES OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT A FOUND MONUMENT AT THE INTERSECTION OF EAST MCLEOD ROAD AND MT BAKER HIGHWAY (SR-542);
THENCE ALONG THE CENTERLINE OF SAID MCLEOD ROAD, SOUTH 88°47'26" EAST, 451.78 FEET;
THENCE NORTH 01°12'34" EAST, 30.00 FEET TO THE POINT OF BEGINNING;
THENCE NORTH 01°12'34" EAST, 67.69 FEET;
THENCE NORTH 50°32'20" EAST, 280.00 FEET TO THE TERMINUS OF THIS CENTERLINE DESCRIPTION;

SIDELINES TO BE LENGTHENED OR SHORTENED TO CONNECT WITH EACH OTHER.



EXHIBIT C

