

After recording, return to:  
Richard A. Finnigan  
2112 Black Lake Blvd., SW  
Olympia, WA 98512

## ASSIGNMENT OF EASEMENTS AND WATER RIGHTS

THIS ASSIGNMENT dated the 19<sup>th</sup> day of March, 2009, is entered into by Bliss Industries, Inc., d/b/a Y Bar S Water Company, a Washington corporation ("Seller"), and City of Enumclaw, a Washington municipal corporation ("Purchaser"), hereinafter also collectively referred to as the "parties" or individually referred to as a "party."

WHEREAS, Purchaser is acquiring the water system assets of Seller located in King County, Washington and used in connection with the water system owned by Seller and known generally as Y Bar S Water System, System #988757.

WHEREAS, the Seller has agreed to assign all of their rights, title and interest in, to and under any existing easements and or water rights not transferred pursuant to the authority of the Asset Purchase and Sale Agreement dated the 13th day of August, 2008, as they may exist.

NOW THEREFORE, the parties agree as follows:

1. Assignment and Assumption of Seller's Interest. Seller hereby assigns to Purchaser all of their right, title and interest in, to and under the easements identified on Exhibit 1 (the "Easements") and the water rights identified on Exhibit 2 (the "Water Rights"), together with all of Seller's right, title and interest in the property and fixtures located thereon. Subject to the terms and conditions set forth herein, Purchaser hereby accepts said assignments and agrees to assume all of Seller's rights, duties and obligations under the Easements arising from and after the 20th day of March, 2009.

2. Seller's Warranties and Representations. Seller hereby warrants and represents to Purchaser that: (a) Seller is the sole owner of the easement holder's interest under the Easements and the water rights holder's interest under the Water Rights; and (b) that the same have not been otherwise assigned, subleased or otherwise transferred or encumbered.

3. Third Party. Nothing in this Assignment, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Assignment on any persons or entities other than the parties hereto and their respective successors. Nothing in this Assignment, whether expressed or implied, is intended to relieve or discharge the obligation or liability of any third party to this Assignment. No provision of this Assignment shall give any third party any right of subrogation or action over or against any party to this Assignment.

4. Attorneys Fees and Costs. In the event of any conflict, claim or dispute between the parties hereto arising out of or relating to the subject matter of this Assignment, whether or not such conflict, claim or dispute has its basis in law or in equity, the prevailing party shall be entitled to receive from the non-prevailing party all reasonable costs and expenses of every sort whatsoever including, but not limited to, arbitrator's fees, mediation fees, deposition costs, expert witness fees, accounting expenses and actual attorneys' fees incurred or expended, whether or not arbitration or court proceedings are initiated, and including all such costs or expenses incurred or expended in arbitration, in trial, on appeal or in any bankruptcy or receivership proceeding.

5. Further Assurances. Each party hereto will execute and deliver such further instruments and take such further action as may be required to carry out the intent and purpose of this Assignment.

6. Successors in Interest. This Assignment shall be binding upon, inure to the benefit of, and be enforceable by and against the respective heirs, executors, administrators, personal representatives and successors of the parties hereto.

7. Waiver. No waiver of any provision of this Assignment shall be deemed to be a waiver of any other provision hereof, nor shall such waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

8. Incorporated by Reference. The exhibits attached hereto are incorporated herein by this reference as though set forth in full.

9. Counterparts. This Assignment may be executed in multiple counterparts which taken together shall constitute one agreement.

Seller:

BLISS INDUSTRIES INC., d/b/a  
Y BARS WATER COMPANY

By:

Ira Denison

Its:

President

Purchaser:

CITY OF ENUMCLAW

\_\_\_\_\_  
Mayor John G. Wise

Attested:

\_\_\_\_\_  
Marcia Hopkins, City Clerk

Approved as to form:

\_\_\_\_\_  
Michael J. Reynolds, City Attorney

4. Attorneys Fees and Costs. In the event of any conflict, claim or dispute between the parties hereto arising out of or relating to the subject matter of this Assignment, whether or not such conflict, claim or dispute has its basis in law or in equity, the prevailing party shall be entitled to receive from the non-prevailing party all reasonable costs and expenses of every sort whatsoever including, but not limited to, arbitrator's fees, mediation fees, deposition costs, expert witness fees, accounting expenses and actual attorneys' fees incurred or expended, whether or not arbitration or court proceedings are initiated, and including all such costs or expenses incurred or expended in arbitration, in trial, on appeal or in any bankruptcy or receivership proceeding.

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Seller:

BLISS INDUSTRIES, INC., d/b/a  
Y BAR S WATER COMPANY

By: \_\_\_\_\_


Ira Denison

Its:

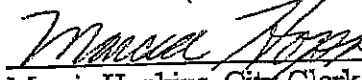
President

Purchaser:

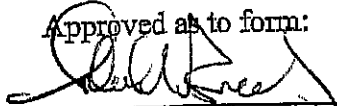
CITY OF ENUMCLAW

  
\_\_\_\_\_  
Mayor John G. Wise

Attested:

  
\_\_\_\_\_  
Marcia Hopkins, City Clerk

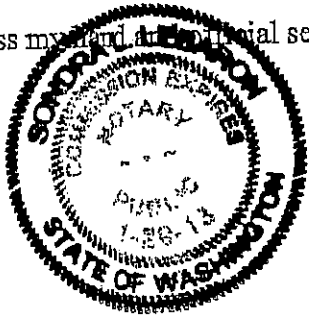
Approved as to form:

  
\_\_\_\_\_  
Michael J. Reynolds, City Attorney

STATE OF Washington )  
County of King ) ss.

On this 19<sup>th</sup> day of March, 2009, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Ira Denison, to me known to be the President of Bliss Industries, Inc., d/b/a Y Bar S Water Company, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute said instrument.

Witness my hand and official seal hereto affixed the day and year first above written.



Sondra LeBaron  
Sondra LeBaron  
[Printed Name]

Notary Public in and for the State of Washington, residing at Seattle.  
My commission expires 1/29/2013

STATE OF WASHINGTON )  
County of King ) ss.

On this \_\_\_ day of \_\_\_\_\_, 2009, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared John G. Wise, to me known to be the Mayor of the City of Enumclaw, the municipal corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute said instrument.

Witness my hand and official seal hereto affixed the day and year first above written.

\_\_\_\_\_  
\_\_\_\_\_  
[Printed Name]  
Notary Public in and for the State of  
Washington, residing at \_\_\_\_\_.  
My commission expires \_\_\_\_\_.

STATE OF \_\_\_\_\_ )  
County of \_\_\_\_\_ ) ss.

On this \_\_\_\_ day of \_\_\_\_\_, 2009, before me, the undersigned, a Notary Public in and for the State of \_\_\_\_\_, duly commissioned and sworn, personally appeared Ira Denison, to me known to be the President of Bliss Industries, Inc., d/b/a Y Bar S Water Company, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute said instrument.

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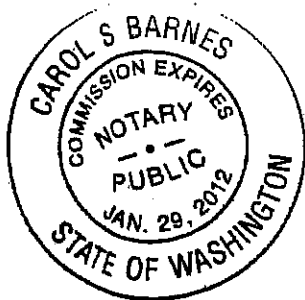
\_\_\_\_\_  
\_\_\_\_\_  
[Printed Name]  
Notary Public in and for the State of \_\_\_\_\_, residing at \_\_\_\_\_.  
My commission expires \_\_\_\_\_.

STATE OF WASHINGTON )  
County of King ) ss.

On this 19<sup>th</sup> day of March, 2009, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared John G. Wise, to me known to be the Mayor of the City of Enumclaw, the municipal corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute said instrument.

Witness my hand and official seal hereto affixed the day and year first above written.

Carol Barnes  
\_\_\_\_\_  
[Printed Name]  
Notary Public in and for the State of Washington, residing at Enumclaw.  
My commission expires Jan 29, 2012



## EXHIBIT 1

### EASEMENTS

#### WELL SITE LEGAL DESCRIPTIONS:

Well Located on Lot 13 Y Bar S Division 2 Recorded in Vol. 120 pages 83 & 84 of Plats under Auditors File # 198202170532 with well site rights described in Restrictive Covenant under Auditors File # 198309220669 and 198309220670 King County Washington

Wells Located on Lot 3 of King County Short Plat 278121 recorded under Auditors File #198211100686 with Well site rights described in the Restrictive Covenant filed under Auditors File # 197301180471 King County, Wa.

Well site with well site rights described in Hentel Well Easement as described in Auditors File # 197701140711 and 199003150283 therein with well location described as 211 feet west of the east boundary and 104 feet north of the south boundary of the NW 1/4 of the SE 1/4 of Section 2 Twp. 20 N., Range 6 E.W.M., together with Restrictive Covenant as described under Auditors File # 197303140484, King County Wa.

#### EASEMENTS IN ROAD RIGHT OF WAYS AND COUNTY ROAD FRANCHISE

Easement For Water Lines In High View Estates Roadways as described in Auditors File # 197701210464 and 199003150282 records of King County. Also under A.F. # 6556387 entitled Dedication of Easements, King County, WA.

Franchise # 5392 King County for water lines in road right of ways in the Y Bar S subdivisions.

#### WATER STORAGE SITE EASEMENT

The water storage tank site all as described in an Easement For Reservoir dated November 5th 1976 under A.F. 197701140710 records of King County Washington, Described: East 60' of the South 120' of the NE 1/4 of NW 1/4 of SW 1/4 of NE 1/4 Sec. 2 Twp. 20 North, Range 6 E. W.M. King County Wa. Except the West 50' of the South 60'.

#### OTHER EASEMENTS

The Declaration of Easements, Restrictions and Covenants for High View Estates recorded under King County Auditor's File No. 197105140382.

Restrictive Covenants for Y - S Ranchettes, Division No. 2, recorded under King County Auditor's File No. 198203170446.

Restrictive Covenants and Easements recorded under King County Auditor's File No. 199402240494.

All rights conveyed by instrument recorded under King County Auditors File 197701140708.

EXHIBIT 2

WATER RIGHTS (see attached certificates)

G1-20529C

G1-20398C

Groundwater Certificate 3232A

STATE OF WASHINGTON  
DEPARTMENT OF ECOLOGY

CERTIFICATE OF WATER RIGHT

Surface Water (Issued in accordance with the provisions of Chapter 90A, RCW, as amended by Chapter 167, RCW, and Chapter 168, RCW, and the rules and regulations of the Department of Ecology)

Ground Water (Issued in accordance with the provisions of Chapter 90A, RCW, as amended by Chapter 167, RCW, and Chapter 168, RCW, and the rules and regulations of the Department of Ecology)

CERTIFICATE NUMBER G1-20529C	PERMIT NUMBER G1-20529P	APPLICATION NUMBER G1-20529	PRIORITY DATE April 4, 1973
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NAME ROBERT L. CHARTERS	CITY Burrup, W.	STATE Washington	GSP CODE 00022
ADDRESS (STREET) 39304 - 254th S.E.			

This is to certify that the herein named applicant has made proof to the satisfaction of the Department of Ecology of a right to the use of the public waters of the State of Washington as herein defined, and under and specifically subject to the provisions contained in the Permit issued by the Department of Ecology, and that said right to the use of said waters has been perfected in accordance with the laws of the State of Washington, and is hereby confirmed by the Department of Ecology and entered of record as shown.

PUBLIC WATER TO BE APPROPRIATED

SOURCE  
A well - 8"x160', Proposed well

TERRITORY OF THE SURFACE WATERS	MAXIMUM GALLONS PER MINUTE 50.0	MAXIMUM ACRE-FEET PER YEAR 45.0
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QUANTITY, TYPE OF USE, PERIOD OF USE  
Group Domestic Supply - estimated population of 45 occupying 15 homes. Water use estimated at 150 gallons per capita per day = 7.5 acre-feet per year, continuous use  
Irrigation (April 15 to October 1)--37.5 acre-feet per year for irrigation of 15 acres

LOCATION OF DIVERSION/WITHDRAWAL

APPROXIMATE LOCATION OF DIVERSION/WITHDRAWAL  
POW #1 - 1150 feet east and 1020 feet south of center of Section 2  
POW #2 - 1270 feet north and 650 feet east of center of Section 2

LOCATED WITHIN (SMALLEST LEGAL SUBDIVISION) EVEE	SECTION 2	TOWNSHIP N. 20	RANGE, 1E. OR W.1 E.11 6E	W.B.J.A. 09	COUNTY King
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RECORDED PLATTED PROPERTY

LOT	BLOCK	OF (GIVE NAME OF PLAT OR ADDITION)
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LEGAL DESCRIPTION OF PROPERTY WATER TO BE USED ON

E1/2SE1/4, NW1/4SE1/4, SW1/4SE1/4, Sec. 2, T. 20 N., R. 6 E.W.M., King County, Washington;  
EXCEPT west 416 feet of SW1/4SE1/4; EXCEPT west 208.71 feet of east 438.71 feet of north 208.71 feet of south 238.71 feet of SW1/4SE1/4.



STATE OF WASHINGTON  
DEPARTMENT OF ECOLOGY

CERTIFICATE OF WATER RIGHT

- Surface Water (Issued in accordance with the provisions of Chapter 117, Laws of 1945, and amendments thereto, and the rules and regulations of the Department of Ecology.)
- Ground Water (Issued in accordance with the provisions of Chapter 26A, Laws of Washington for 1945, and amendments thereto, and the rules and regulations of the Department of Ecology.)

CERTIFICATE NUMBER RT-20398C	PERMIT NUMBER G1-20398P	APPLICATION NUMBER G1-20398	PRIORITY DATE January 5, 1973
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NAME  
CLYDE W. SWEENEY

ADDRESS (STREET)  
10425 - 15th Avenue S.W.

CITY  
Seattle

STATE  
Washington

ZIP CODE  
98146

*This is to certify that the herein named applicant has made proof to the satisfaction of the Department of Ecology of a right to the use of the public waters of the State of Washington as herein defined, and under and specifically subject to the provisions contained in the Permit issued by the Department of Ecology, and that said right to the use of said waters has been perfected in accordance with the laws of the State of Washington, and is hereby confirmed by the Department of Ecology and entered of record as shown.*

PUBLIC WATER TO BE APPROPRIATED

SOURCE  
A well - 814251

THREATENED BY (IF SURFACE WATERS)

MAXIMUM FEET PER SECOND	MAXIMUM GALLONS PER MINUTE 48.0	MAXIMUM ACRE-FEET PER YEAR 41.0
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QUANTITY, TYPE AND PERIOD OF USE  
Community Domestic Supply - continuously

LOCATION OF DIVERSION/WITHDRAWAL

APPROXIMATE LOCATION OF DIVERSION/WITHDRAWAL  
590 feet North and 580 feet West of the Southeast corner of Sec. 2

TOWNSHIP WITHIN NEAREST LEGAL SUBDIVISION SEISESEE	RANGE 2	TOWNSHIP N. 20	RANGE E. OR W. 6 E.	W.R.L.A. 9	COUNTY King
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RECORDED PLATTED PROPERTY

PLAT NO. AND DATE OF PLAT OR ADDITION

LEGAL DESCRIPTION OF PROPERTY WATER TO BE USED ON

All of the Plat of Y-S Ranchettes within Sec. 1 and 2, T. 20 N., R. 6 E.W.M.

CERTIFICATE RECORD NO. 7 PAGE NO. 3232-A

STATE OF WASHINGTON, COUNTY OF KANE

### Certificate of Ground Water Right

Issued in accordance with the provisions of Chapter 225, Laws of Washington for 1935, and amendments thereto, and the rules and regulations of the State Supervisor of Water Resources thereunder.

THIS IS TO CERTIFY THAT JOHN A. WAHL  
of BANDOLAN, Washington, has made proof  
to the satisfaction of the State Supervisor of Water Resources of Washington, of a right to the use of  
the ground waters of a WELL  
located within the N3SE1/4  
Sec. 2, Twp. 20 N., R. 6E W. M.  
for the purpose of irrigation, domestic supply and stock water  
under and subject to provisions contained in Ground Water Permit No. 4364 issued by the State  
Supervisor of Water Resources and that said right to the use of said ground waters has been perfected  
in accordance with the laws of Washington, and is hereby confirmed by the State Supervisor of Water  
Resources of Washington and entered of record in Volume 7 at page 3232-A;  
that the right hereby confirmed dates from June 27, 1957; that the quantity of ground  
water under the right hereby confirmed for the purposes aforesaid, is limited to an amount actually  
beneficially used for said purposes, and shall not exceed 40 gallons per minute; 20 acre-  
foot per year for the irrigation of 10 acres and for domestic supply and  
stock water.

A description of the lands to which such ground water right is appurtenant, and the place where such water is put to beneficial use, is as follows:

S1/2NE1/4 and W1/2SE1/4, sec. 2, T. 20 N., R. 6 E. W. 11., 1000 county road and portion of S1/2SE1/4, sec. 2 for cemetery.

The right to the use of the ground water aforesaid hereby confirmed is restricted to the lands or place of use herein described, except as provided in Sections 6 and 7, Chapter 122, Laws of 1929.

WITNESS the seal and signature of the State Supervisor of Water Resources affixed this 12th day of December, 1956.

State Supervisor

*[Signature]*  
State Supervisor of Water Resources