

RESOLUTION NO. 18-1272

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
BLACK DIAMOND, KING COUNTY, WASHINGTON
AUTHORIZING THE SALE OF THE FORMER SEWAGE
LAGOON PROPERTY TO PALMER COKING COAL
COMPANY, LLP**

WHEREAS, in June 1982, Palmer Coking Coal Company ("PCC") conveyed certain real property to the City for its use in construction of a sewage collection and treatment facility, for the below-market price of approximately \$3,000 per acre, or a total of \$15,000; and

WHEREAS, the 1982 warranty deed for the property reserves to PCC an exclusive right to repurchase the property for the sum of \$15,000 in the event the City ever elects to sell or otherwise cease use of the property for a sewage treatment facility for a period of one year or longer; and

WHEREAS, the City has decommissioned the sewage collection and treatment facility and no longer needs the property for such purposes; and

WHEREAS, PCC has expressed its desire to exercise its exclusive repurchase right; and

WHEREAS, the City desires to sell the property back to PCC, while (i) retaining a temporary storage easement on a portion of the property for the purpose of storage and handling of soil, woody debris, compost, and street sweepings for a period of two years; (ii) retaining a permanent water and sewer utility easement across the property; and (iii) terminating the existing City easements for treated effluent and discharge;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. The Mayor is authorized to convey the former sewer lagoon property to Palmer Coking Coal, LLP, by executing a purchase and sale agreement in a form substantially similar to the one attached hereto as Attachment A, together with such related deeds and easements as are necessary to effectuate the purposes described above.

Section 2. In exchange for the conveyances and agreements so described, the City accepts payment of the sum of \$15,000, consistent with the terms of the 1982 purchase from PCC.

**PASSED BY THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON,
AT A REGULAR MEETING THERE OF, THIS 4TH DAY OF OCTOBER 2018.**

CITY OF BLACK DIAMOND:

Carol Benson
Carol Benson, Mayor

Attest:

Brenda L. Martinez
Brenda L. Martinez, City Clerk

**CITY OF BLACK DIAMOND
REAL ESTATE PURCHASE AND SALE AGREEMENT**

This Real Estate Purchase and Sale Agreement (hereafter, the "Agreement") is made this 4th day of October, 2018, by and between the City of Black Diamond, a Washington municipal corporation (the "City" or the "Seller"), and Palmer Coking Coal Company, LLP, a Washington limited liability partnership ("Palmer" or the "Purchaser").

A. RECITALS

A. In June 1982, Palmer conveyed certain real property (as described below) to the City for its use in construction of a sewage collection and treatment facility. Palmer conveyed this property to the City for a below-market price of approximately \$3,000 per acre, or a total of \$15,000.

B. The 1982 warranty deed for the property reserves to Palmer an exclusive right to re-purchase the property for the sum of \$15,000 in the event the City elects to sell or otherwise ceases use of the property for use as a sewage treatment facility for a period of one year or longer.

C. The City has now decommissioned the sewage collection and treatment facility and no longer needs the property for such purposes.

D. Palmer has expressed its desire to exercise its exclusive right to re-purchase the property for the aforementioned sum.

E. The City has agreed to sell, and Palmer has agreed to re-purchase, the property on the following mutually agreeable terms and conditions.

B. TERMS AND CONDITIONS OF AGREEMENT

1. PREMISES.

Purchaser agrees to buy, and Seller agrees to sell, the real property legally described in Exhibit A to this Agreement (the "Premises").

2. CLOSING AND DELIVERY OF DEED.

Seller, at closing, shall convey to Purchaser a statutory warranty deed to the Premises in the form attached hereto as Exhibit B (the "Deed"). The Premises shall be conveyed "as-is," with all faults, and Seller makes no warranties or representations concerning the condition of the Premises or its suitability for Purchaser's intended purposes. Seller shall warrant that title to the Premises is free from any defects or encumbrances except for the Easement Agreement (as defined below) being recorded at closing and any previous rights reserved by Palmer when Palmer first sold the Premises to the City. At closing, the parties shall execute and record the Deed, the Easement Agreement (as defined in Section 4 below), and the Termination Statement

(as defined in Section 5 below) and shall execute and file any required real estate excise tax affidavit with King County.

3. PURCHASE PRICE AND PAYMENT.

In addition to the other promises made in this Agreement, the Purchaser agrees to pay and the Seller agrees to accept Fifteen Thousand Dollars (\$15,000) as the purchase price for the Premises. The purchase price shall be paid at closing by cashier's check payable by the Palmer and made out to the City of Black Diamond.

4. RECORDING OF EASEMENT AGREEMENT.

At closing, Palmer, as grantor, shall record an easement agreement in the form attached hereto as Exhibit C (the "Easement Agreement") granting to Seller and Seller's successors and assigns a perpetual, non-exclusive 20-foot water and sewer utility easement across the Premises and a temporary storage easement across the southwest portion of the Premises, each as more fully described in the Easement Agreement.

5. TERMINATION OF EASEMENTS FOR TREATED EFFLUENT AND DISCHARGE.

In connection with Palmer's prior conveyance of the Premises to the City, Palmer granted easements over adjacent property for placement of a sewer line or lines and for discharge of treated effluent, as more fully described in that certain Easement for Treated Effluent and Discharge, dated June 19, 1981 (the "Discharge Easements"). The parties to this Agreement acknowledge that the City no longer requires the Discharge Easements, and at closing the City shall record a termination statement in the form attached hereto as Exhibit D (the "Termination Statement").

6. CLOSING DATE.

Closing shall occur at a time and place mutually agreeable to Purchaser and Seller (subject to approval of the City Council), but no later than December 28, 2018. Purchaser shall be entitled to possession of the Premises on the date of closing.

7. PRORATION OF TAXES.

Seller and Purchaser agree that the obligation to pay King County property taxes shall be prorated as of the date of closing.

8. INDEMNIFICATION.

Except where otherwise provided in this Agreement or the Easement Agreement, Purchaser shall defend, indemnify, and hold harmless the City and its officers, officials, employees, and volunteers against any and all claims, suits, actions, or liability for bodily injury or death of any person, or for loss or damage to any property, arising out of or caused by any negligent or intentional act or omission by Purchaser or Purchaser's employees, agents, or customers in connection with its or their use or occupation of the Premises. Purchaser's obligation to defend, indemnify, and hold harmless the City extends to the payment of the City's reasonable attorney fees and court costs incurred in defending such claims or suits, but does not extend to payment for injuries or damages caused by the sole negligence of the City. If a court of competent

jurisdiction (or neutral arbitrator) determines that any bodily injury, death, or property damage is a result of the concurrent negligence of both the City and the Purchaser, then Purchaser's liability under this indemnification provision will be limited to the extent of Purchaser's fault. In no event shall Purchaser be responsible for any injury or damage caused by the intentional or willful misconduct of the City, its employees, agents, volunteers, or consultants.

9. RISK OF LOSS.

Seller bears the risk of loss or damage to the Premises (and any personal property located thereon) until 5:00 p.m. on the date of closing. Thereafter, subject to the terms of the Easement Agreement, Purchaser bears the risk of loss or damage to the Premises, except that Seller at all times retains the risk of loss to any personal property of Seller that is stored or maintained by Seller on the Premises. In the event of material loss or damage to the Premises before closing, Seller is not obligated to restore the Premises, nor must Seller pay damages to Purchaser, but Purchaser may elect to terminate this Agreement effective immediately if Purchaser gives written notice to Seller after the date of loss or damage and before the date of closing.

10. APPLICABLE LAW; VENUE; ATTORNEYS' FEES.

This Agreement is governed by and shall be construed and interpreted in accordance with the laws of the State of Washington, without reference to its choice-of-law rules. King County, Washington, is the exclusive venue for any suit, arbitration, or other legal proceeding instituted to construe, interpret, or enforce any term of this Agreement. The prevailing party in any such action is entitled to its attorneys' fees and costs of suit, which shall be fixed by the judge or neutral hearing the case, and such fee shall be included in the judgment or award.

11. ENTIRE AGREEMENT.

This Agreement (along with the Deed, Easement Agreement, and Termination Statement, once executed and recorded) contains the entire agreement between the parties, and no other agreements, oral or otherwise, regarding the subject matter of this Agreement exist or bind either of the parties. Either party may request changes to the Agreement. Changes that are mutually agreed upon shall be incorporated by written amendments to this Agreement, executed under signatures of all parties. The terms, covenants, and representations contained in this Agreement shall not merge with the deed of conveyance but instead shall survive and continue after closing.

12. SEVERABILITY.

In the event any provision or part of this Agreement is found to be void or unenforceable under any law or regulation, all remaining provisions shall continue to be valid and binding upon the Seller and Purchaser, who both agree that the Agreement shall be reformed to replace such void or unenforceable provision or part with a valid and enforceable provision that comes as close as reasonably possible to expressing the intent of the void or unenforceable provision.

AGREED TO BY:

SELLER: CITY OF BLACK DIAMOND

PURCHASER: PALMER COKING COAL
COMPANY, LLP

By: Carol Benson

Name: Carol Benson

Title: Mayor

By: _____

Name: William Kombol

Title: Operating Manager

Date: 10/5/18

Date: _____

Attest/Authenticated:

Brenda L Martinez
City Clerk

Approved As To Form:

City Attorney

EXHIBIT A

Legal Description of the Premises

Real property situate in the County of King, State of Washington, and described as follows:

The South 410 feet of the North 495 feet of the West 600 feet of the Southeast Quarter of the Southwest Quarter of Section 14, Township 21 North, Range 6 East, Willamette Meridian, in King County, Washington;

EXCEPT the following described parcel:

Beginning at the Northwest Corner of said subdivision; thence Southerly along the subdivision line 185 feet to the true point of beginning; thence continuing Southerly along the subdivision line 310 feet; thence Easterly parallel to the North line of said subdivision 100 feet; thence Northerly parallel to the West line of said subdivision 250 feet; thence Northwesterly to the true point of beginning;

SUBJECT to a more particular description of 248th Avenue S.E. as said roadway exists in its present location, not as indicated on existing short plat maps.

EXHIBIT B

Form of Statutory Warranty Deed

[See attached]

AFTER RECORDING RETURN TO:

Fikso Kretschmer Smith Dixon Ormseth PS
2025 First Avenue, Suite 1130
Seattle, WA 98121
Attn: Marc Kretschmer

STATUTORY WARRANTY DEED

Grantor: City of Black Diamond, a Washington municipal corporation

Grantee: Palmer Coking Coal Company, LLP, a Washington limited liability partnership

Abbreviated Legal Property Description: Portion of Section 14, Township 21 North, Range 6 East, situated in King County, WA (Full legal description follows below)

Assessor's Tax Parcel ID#: 142106-9152

GRANTOR, City of Black Diamond, a Washington municipal corporation, for and in consideration of the sum of FIFTEEN THOUSAND DOLLARS (\$15,000) and other good and valuable consideration the receipt of which is hereby acknowledged, hereby conveys and warrants to GRANTEE, Palmer Coking Coal Company, LLP, a Washington limited liability partnership, all of GRANTOR'S right, title, and interest in and to the following described real property (the "Premises") situated in the King County, Washington:

The South 410 feet of the North 495 feet of the West 600 feet of the Southeast Quarter of the Southwest Quarter of Section 14, Township 21 North, Range 6 East, Willamette Meridian, in King County, Washington;

EXCEPT the following described parcel:

Beginning at the Northwest Corner of said subdivision; thence Southerly along the subdivision line 185 feet to the true point of beginning; thence continuing Southerly along the subdivision line 310 feet; thence Easterly parallel to the North line of said subdivision 100 feet; thence Northerly parallel to the West line of said subdivision 250 feet; thence Northwesterly to the true point of beginning;

SUBJECT TO a more particular description of 248th Avenue S.E. as said roadway exists in its present location, not as indicated on existing short plat maps.

GRANTOR warrants that its title to the Premises is free from any defects or encumbrances, subject to certain easements recorded pursuant to that certain Easement Agreement of even date hereof, and further subject to any previous rights or encumbrances reserved by GRANTEE when it first sold the Premises to GRANTOR. Except as expressly stated herein and in the corresponding Purchase and Sale Agreement dated 10/4, 2018, the Premises is conveyed "as-is" with all faults and without any other representation or warranty by GRANTOR whatsoever, whether express or implied, as to its condition or its suitability or sufficiency for GRANTEE'S intended uses or purposes.

//


//

//

//

DATED THIS 4th day of October, 2018.

GRANTOR, CITY OF BLACK DIAMOND, WASHINGTON



By: Carol Benson, Mayor

STATE OF WASHINGTON)

) ss.

COUNTY OF KING)

On this day before me personally appeared CAROL BENSON, to me known to be the Mayor of the City of Black Diamond, a Washington municipal corporation, who executed the within and foregoing instrument, and acknowledged the same 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 she was authorized to execute said instrument for and on behalf of said municipal corporation.

GIVEN my hand and official seal this _____ day of _____, 2018.

Name: _____

Notary Public in and for the State of Washington.

My commission expires: _____

Assessor's Tax Parcel ID#: 1421069152

EXHIBIT C

Form of Easement Agreement

[See attached]

After recording return to
Fikso Kretschmer Smith Dixon Ormseth PS
2025 First Avenue, Suite 1130
Seattle, WA 98121
Attn: Marc Kretschmer

Reference No. of related document: N/A

Grantor: Palmer Coking Coal Company, LLP

Grantee: City of Black Diamond

Abbreviated Legal Description: S 410 FT OF N 495 FT OF W 600 FT OF GL 4 LESS BEG NW COR
GL 4 TH S ALG W LN 185 FT TO TPOB TH CONT S ALG W LN 310 FT TH E PLT N LN 100 FT TH N
PLT W LN 250 FT TH NWLY TO TPOB LESS C/M RGTS
Additional Legal Description is on Exhibit A-1 of Document

Tax Parcel Account Number: 142106-9152

**TEMPORARY STORAGE EASEMENT
AND PERMANENT UTILITY EASEMENT AGREEMENT**

This Temporary Use Easement and Permanent Utility Easement Agreement (the "Agreement") is entered into this _____ day of _____, 2018, by and between PALMER COKING COAL COMPANY, LLP, a Washington limited liability partnership (the "Grantor"), and the CITY OF BLACK DIAMOND, a Washington municipal corporation (the "Grantee").

RECITALS

A. Grantor and Grantee entered into that certain Real Estate Purchase and Sale Agreement (the "Purchase Agreement") pursuant to which Grantee sold to Grantor the real property located in the City of Black Diamond, King County, Washington that is legally described on Exhibit A-1 attached hereto (the "Grantor Property").

B. In consideration of the mutual promises of the parties hereto and other good and valuable consideration, the receipt of which is hereby acknowledged, the Grantor and Grantee agree on behalf of themselves and their successors and assigns as follows:

AGREEMENTS

1. TEMPORARY STORAGE EASEMENT.

Grantor hereby grants to Grantee a temporary nonexclusive easement over, across, on, and through the southwest quarter of the Grantor Property (the "Temporary Storage Easement Area") as described on Exhibit B-1 attached hereto and as depicted on Exhibit B-2 attached hereto, including the right of ingress and egress, for purposes of storage and handling of soil, woody debris, compost, and street sweepings for a period of two years from the date hereof (the "Temporary Storage Easement"). Grantee agrees to cooperate in recording all papers necessary to document the termination of the Temporary Storage Easement upon expiration of such two-year period. Grantee agrees to maintain the area and remove soil barriers, soil, woody debris, compost, and street sweepings that Grantee has stored on the Premises upon the termination of this temporary easement. Grantee agrees that its use and occupation of the Temporary Storage Easement Area shall not unreasonably impede or impair Grantor's use and enjoyment of or access to the remainder of the Grantor Property.

3. PERMANENT UTILITY EASEMENT.

Grantor hereby grants to Grantee a perpetual nonexclusive 20-foot water and sewer utility easement across the Grantor Property (the "Utility Easement" and together with the Temporary Storage Easement, the "Easements"), as specifically described on Exhibit C-1 attached hereto and as depicted on Exhibit C-2 attached hereto (the "Utility Easement Area"). Grantee agrees that Grantor may, at Grantor's sole expense, relocate the easement and any corresponding utility facilities (the "Utility Facilities") to a new location on the Grantor Property, so long as such relocation does not unreasonably interfere with Grantee's use of the Utility Easement. In the event of a relocation, Grantor agrees to record, and Grantee agrees to cooperate in executing, all papers necessary to document the new location of the Utility Easement.

4. RESERVED RIGHTS.

Grantor may use the Grantor Property for any purpose that will not interfere with the exercise of the rights granted to Grantee hereunder.

5. MAINTENANCE OF UTILITY FACILITIES.

Grantee shall maintain the Utility Facilities in good condition, repair and working order. The cost of maintenance, repair or reconstruction of the Utility Facilities shall be borne by Grantee. When it becomes necessary to repair, clean or reconstruct the Utility Facilities, Grantee shall have a right of entry onto the Permanent Utility Easement Area.

6. RESTORATION.

Upon termination of the Temporary Storage Easement, the Grantee will remove any remaining soil, wood waste, compost, concrete soil bins, or other debris associated with the Grantee's use of the Temporary Storage Easement Area. Grantor's Property will be restored to a clean, useable condition. Final restoration will include, as appropriate, sod replacement in existing lawns, hydro-seeding in unimproved areas, and replanting or replacement of existing shrubs and

bushes, where such will not unreasonably interfere with the use of the Grantor's Property. Fences, rockeries, and concrete, asphalt and/or gravel driveways that do not unreasonably interfere with the use of the Grantor's Property will be repaired or replaced after the expiration of the Temporary Storage Easement.

7. INDEMNIFICATION.

Grantee does hereby release and shall indemnify, defend and hold Grantor harmless for, from and against all losses, liabilities, claims (including mechanics' or materialmen's' liens), costs (including attorneys' fees), actions or damages of any sort or nature whatsoever incurred as a result of or arising out of Grantee's use of the Easements or Grantee's exercise of its rights hereunder to the extent attributable to the negligent acts or omissions, willful misconduct or breach of this Agreement by Grantee, its servants, agents, employees and contractors. The indemnities granted hereby shall not apply to any losses, liabilities, claims, costs, actions or damages caused by the sole negligence of Grantor. In the event that any action is brought against Grantor by any employee of Grantee, the indemnification obligation of Grantee set forth in this Section shall not be limited by a limit on the amount or type of damages, compensation or benefits payable by or for Grantee under RCW Title 51, the Industrial Insurance Act, or any other employee benefit act. In addition, solely for the purpose of giving full effect to the indemnities contained herein and not for the benefit of Grantee's employees or any third parties, Grantee waives its immunity under RCW Title 51. Grantee acknowledges that this indemnification has been negotiated by the parties. Notwithstanding the foregoing, if a loss, liability, claim, cost, action or damage subject to this Section 7 is caused by the joint or concurrent negligence of Grantee and Grantor, Grantee shall only be responsible for such loss, liability, claim, cost action or damage in proportion to its negligence in the matter.

8. GENERAL.

The covenants of this Agreement are intended to and will run with the land and inure to the benefit of and bind future fee owners and mortgagees in possession of the Grantor Property. This Agreement may be modified only in writing, signed by authorized representatives of Grantor and Grantee. Any waiver hereunder must be in writing. In any arbitration or other legal proceeding to enforce or interpret this Agreement, the prevailing party will be entitled to recover its costs incurred therein, including court costs, other litigation costs, expert and consulting fees, and reasonable attorneys' fees. This Agreement will inure solely to the benefit of and bind the signatories hereto and their successors and assigns.

[Signature Page to Follow.]

EXECUTED as of the date first written above.

GRANTOR:

PALMER COKING COAL COMPANY, LLP,
a Washington limited liability partnership

By: _____

Name: William Kombol

Title: Operating Manager

GRANTEE:

CITY OF BLACK DIAMOND,
a Washington municipal corporation

By: 

Name: Carol Benson

Title: Mayor

STATE OF _____)
) ss.
COUNTY OF _____)

I certify that I know or have satisfactory evidence that WILLIAM KOMBOL is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Operating Manager of Palmer Coking Coal Company, LLP, a Washington limited liability partnership, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this _____ day of _____, 2018.

(print or type name)
NOTARY PUBLIC in and for the State of
_____, residing at _____
My Commission expires: _____

STATE OF _____)
) ss.
COUNTY OF _____)

On this day before me personally appeared CAROL BENSON, to me known to be the Mayor of the City of Black Diamond, a Washington municipal corporation, who executed the within and foregoing instrument, and acknowledged the same 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 she was authorized to execute said instrument for and on behalf of said municipal corporation.

GIVEN my hand and official seal this _____ day of _____, 2018.

(print or type name)
NOTARY PUBLIC in and for the State of
_____, residing at _____
My Commission expires: _____

EXHIBIT A-1
LEGAL DESCRIPTION OF GRANTOR PROPERTY

Real property situate in the County of King, State of Washington, and described as follows:

The South 410 feet of the North 495 feet of the West 600 feet of the Southeast Quarter of the Southwest Quarter of Section 14, Township 21 North, Range 6 East, Willamette Meridian, in King County, Washington;

EXCEPT the following described parcel:

Beginning at the Northwest Corner of said subdivision; thence Southerly along the subdivision line 185 feet to the true point of beginning; thence continuing Southerly along the subdivision line 310 feet; thence Easterly parallel to the North line of said subdivision 100 feet; thence Northerly parallel to the West line of said subdivision 250 feet; thence Northwesterly to the true point of beginning;

SUBJECT to a more particular description of 248th Avenue S.E. as said roadway exists in its present location, not as indicated on existing short plat maps.

EXHIBIT B-1
LEGAL DESCRIPTION OF TEMPORARY STORAGE EASEMENT

The west 240 feet of the south 240 feet of the following described parcel:

The South 410 feet of the North 495 feet of the West 600 feet of the Southeast Quarter of the Southwest Quarter of Section 14, Township 21 North, Range 6 East, Willamette Meridian, in King County, Washington;

EXCEPT the following described parcel:

Beginning at the Northwest Corner of said subdivision; thence Southerly along the subdivision line 185 feet to the true point of beginning; thence continuing Southerly along the subdivision line 310 feet; thence Easterly parallel to the North line of said subdivision 100 feet; thence Northerly parallel to the West line of said subdivision 250 feet; thence Northwesterly to the true point of beginning;

SUBJECT to a more particular description of 248th Avenue S.E. as said roadway exists in its present location, not as indicated on existing short plat maps.

EXHIBIT B-2
DEPICTION OF TEMPORARY STORAGE EASEMENT

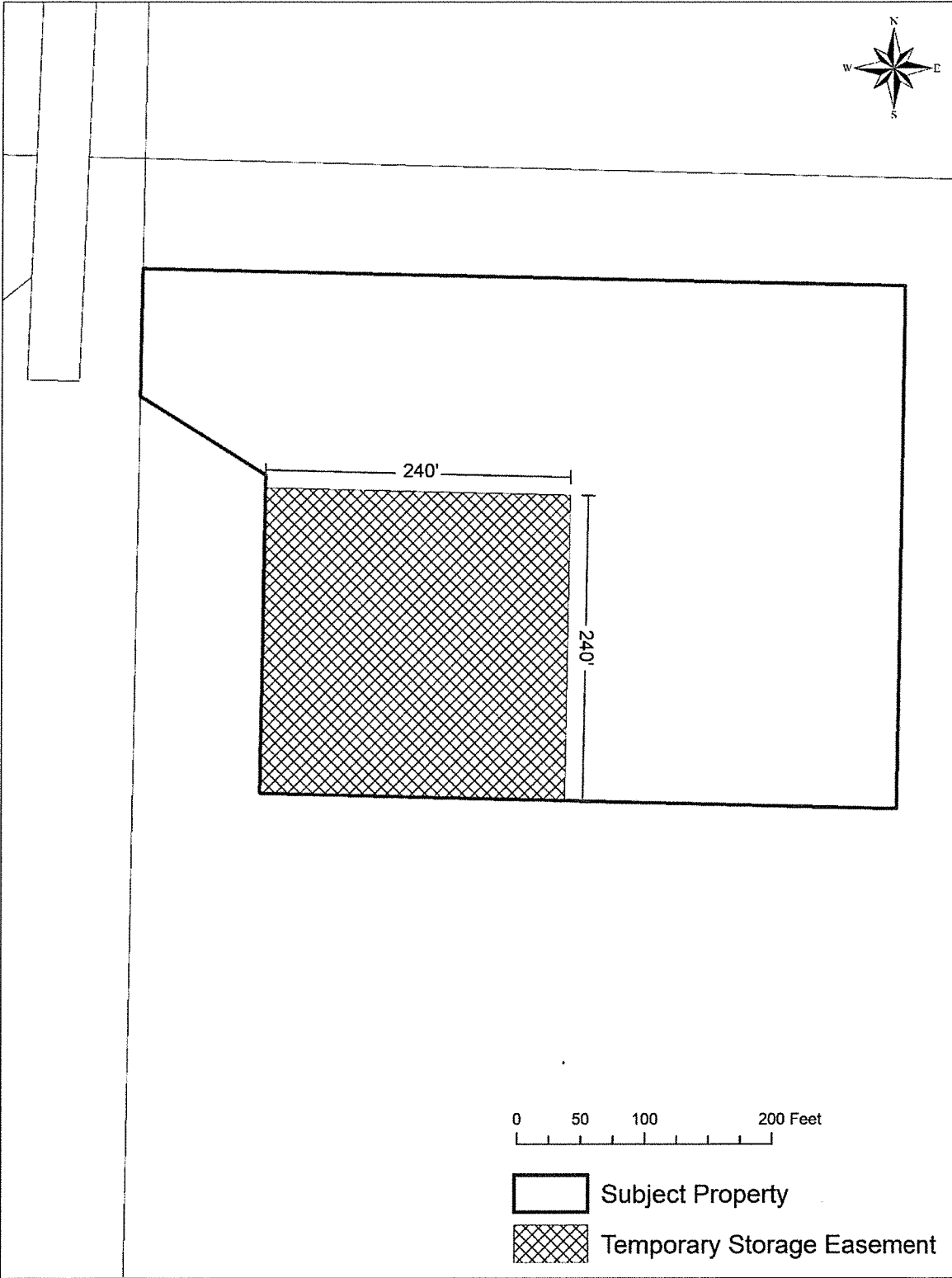


EXHIBIT C-1
LEGAL DESCRIPTION OF UTILITY EASEMENT

EXHIBIT A
LEGAL DESCRIPTION FOR UTILITY EASEMENT
KING COUNTY PARCEL NO. 1421069152

A STRIP OF LAND BEING IN THE FOLLOWING DESCRIBED PARCEL AND LYING IN THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 21 NORTH, RANGE 6 EAST, W.M.:

THE SOUTH 410.00 FEET OF THE NORTH 495.00 FEET OF THE WEST 600.00 FEET OF SAID SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 14;
EXCEPT THE FOLLOWING PARCEL;
BEGINNING AT THE NORTHWEST CORNER OF SAID SUBDIVISION;
THENCE SOUTHERLY ALONG THE SUBDIVISION LINE 185.00 FEET TO THE TRUE POINT OF BEGINNING;
THENCE CONTINUING SOUTHERLY ALONG THE SUBDIVISION LINE 310.00 FEET;
THENCE EASTERLY PARALLEL TO THE NORTH LINE OF SAID SUBDIVISION 100.00 FEET;
THENCE NORTHERLY PARALLEL TO THE WEST LINE OF SAID SUBDIVISION 250.00 FEET;
THENCE NORTHWESTERLY TO THE TRUE POINT OF BEGINNING.

SAID STRIP OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE SOUTH 20.00 FEET OF THE NORTH 105.00 FEET OF THE WEST 540.00 FEET OF SAID SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 14.

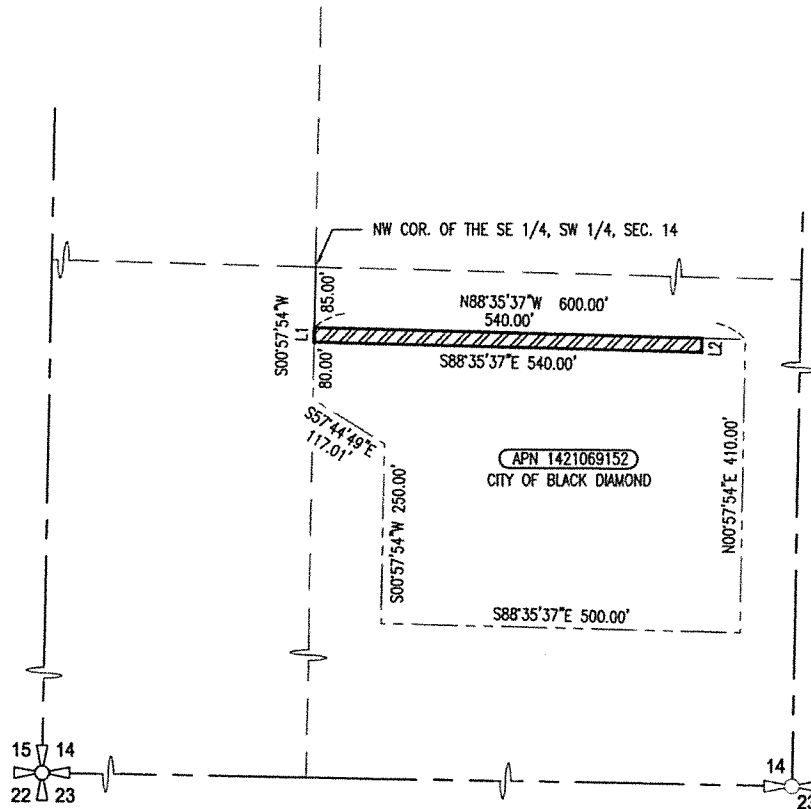
UTILITY EASEMENT CONTAINING 10,800 SQUARE FEET, MORE OR LESS.



7-17-18

**EXHIBIT C-2
DEPICTION OF UTILITY EASEMENT
APN 1421069152**

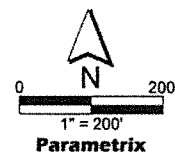
SE 1/4 OF THE SW 1/4 OF SECTION 14, T. 21 N., R. 6 E., W.M.
KING COUNTY, WASHINGTON



EASEMENT AREA

10,800 SQ. FT.

LINE TABLE		
LINE #	LENGTH	DIRECTION
L1	20.00	S00°57'54"W
L2	20.00	N00°57'54"E



LEGEND

	EASEMENT AREA
	PROPERTY LINE
	SECTION LINE
	SIXTEENTH LINE
	KING COUNTY TAX PARCEL NUMBER

BASIS OF BEARINGS:

PER RECORD OF SURVEY BY KRAMER, CHIN & MAYO, INC.,
RECORDED UNDER AUDITOR'S FILE NO. 8111059010, DATED
NOV. 5, 1981.



7-17-18

EXHIBIT D

Form of Termination Statement

[See attached]

After Recording Return to:

Fikso Kretschmer Smith Dixon Ormseth PS
2025 First Avenue, Suite 1130
Seattle, WA 98121
Attn: Marc Kretschmer

Reference Number of Related Document: [_____]

Grantor: Palmer Coking Coal Company, LLP

Grantee: City of Black Diamond

TERMINATION OF EASEMENT FOR TREATED EFFLUENT AND DISCHARGE

THIS TERMINATION OF EASEMENT FOR TREATED EFFLUENT AND DISCHARGE (the "Termination"), dated as of _____, 2018, is entered into by and between Palmer Coking Coal Company, LLP, a Washington limited liability partnership ("Palmer"), and the City of Black Diamond, a Washington municipal corporation (the "City").

Palmer, as grantor, and City, as grantee, are the parties to that certain Easement for Treated Effluent and Discharge recorded on June 19, 1981 under King County Recording No. _____ (the "Easement"). All obligations of the parties under the Easement have been satisfied, the City no longer requires the Easement.

The parties hereby terminate the Easement effective as of the date of recording this Termination.

[Signature pages follow]

CITY:

CITY OF BLACK DIAMOND,
a Washington municipal corporation

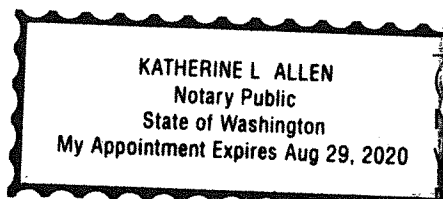
By: Carol Benson
Name: Carol Benson
Title: Mayor

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that CAROL BENSON is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Mayor of THE CITY OF BLACK DIAMOND, a municipal corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 8th day of October, 2018.

Katherine L. Allen



Katherine L. Allen
(print or type name)
NOTARY PUBLIC in and for the State of
Washington, residing at King County
My Commission expires: August 29, 2020

PALMER:

PALMER COKING COAL COMPANY, LLP,
a Washington limited liability partnership

By: _____

Name: William Kombol

Title: Operating Manager

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that WILLIAM KOMBOL is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Operating Manager of PALMER COKING COAL, LLP, a Washington limited liability partnership, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this ____ day of _____, 20__.

(print or type name)

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

My Commission expires: _____