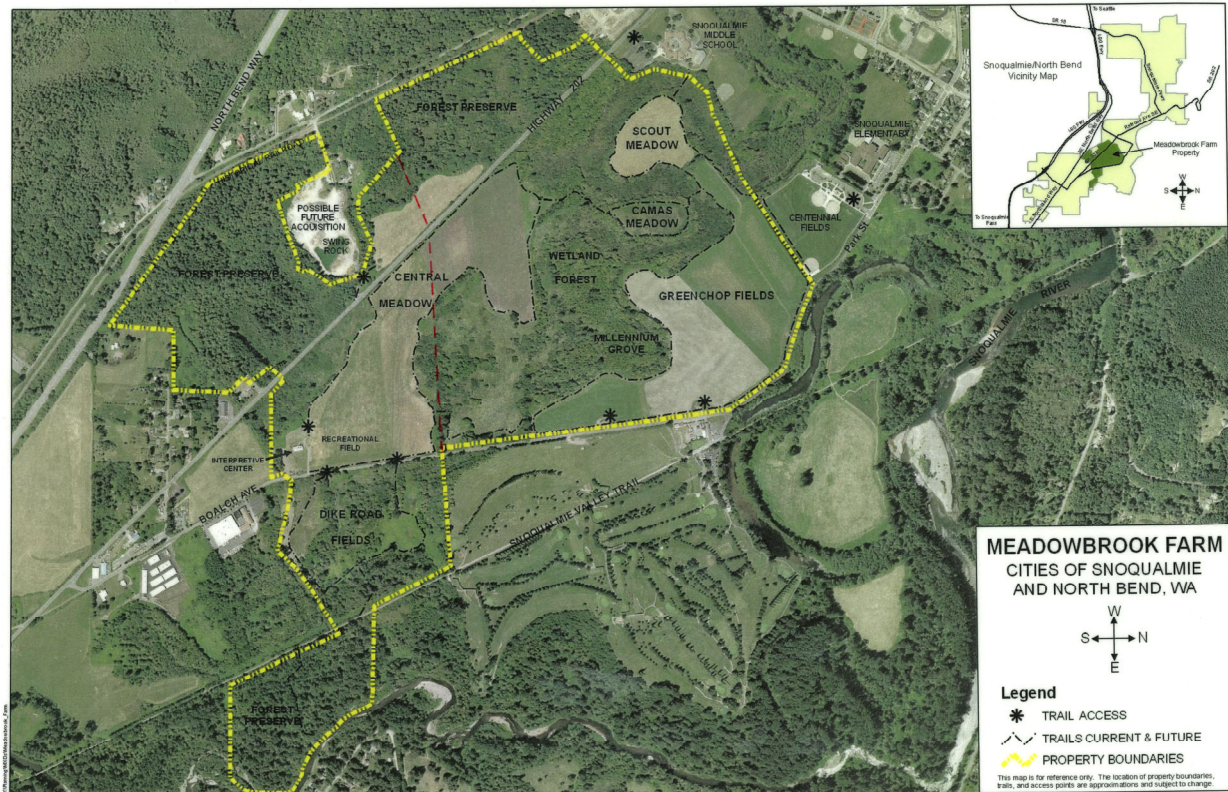


Exhibit A – Meadowbrook Farm Boundary and Included Parcels



Parcels within the boundary of Meadowbrook Farm include the following (as of 8/22/2023):

Meadowbrook Farm Parcels within the Snoqualmie City Limits:

3224089104, 3224089105, 3224089107, 3224089108, 3224089109, 3224089110, 0523089050, 0523089051, 0523089052, 0523089053, 0523089054.

Meadowbrook Farm Parcels within the North Bend City Limits:

0523089004, 0523089055, 0523089056, 0423089004, 0423089010, 0423089024, 0423089030, 0423089032, 0423089035, 5418700095, 5418700120, 5418700125, 5418700130, 5418700135.



King County Conservation Futures Program Manual

December 2022

EXHIBIT B-1

King County Conservation Futures Program Manual

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Available online at: www.kingcounty.gov/CFTapplication

SECTION 1. OVERVIEW

Conservation Futures Funding Source

Conservation futures tax levy (“CFT”) is a property tax levy that was authorized by the State of Washington in the 1970s. Counties may collect up to 6.25 cents per \$1,000 of assessed value to acquire open space lands in fee, acquire easements, or otherwise conserve land.

King County began collecting a CFT levy in 1982, the first county in Washington to do so. King County adopted the maximum allowable levy rate of 6.25 cents per \$1,000 of assessed value. Due to limits on property tax collection, in 2019 the levy rate is 3.4 cents per \$1,000 of assessed value. In 2019, King County CFT levy collections are projected to exceed \$20 million.

CFT tax levy dollars are the source of funding for the CFT grant program. CFT funding awards have protected >100,000 acres of open spaces, parks, trails, natural areas, urban greenspaces, forests, farmlands, and shoreline throughout King County, in cities and the unincorporated area.

Historically, approximately 50% of the yearly revenues have been awarded to projects through a competitive annual award process (for example, FY 2019 annual award funding is \$12.4 million). The remaining yearly revenues have been used to pay debt service on past bonds that were issued for major open space purchases. In 2018, a policy was added to King County Code that allows up to 80% of collections to be used for debt service.

Policy Basis

This Program Manual reflects conservation futures requirements in state law (Revised Code of Washington, or “RCW”) and King County Code (“KCC”), adopted policies, and practices. The primary state law, county code, and policies that govern the King County CFT program include: chapter 84.34 RCW, chapter 26.12 KCC, and the Application Evaluation Criteria and General Conditions adopted in Motion 15513.

Conservation Futures Goals

King County Code describes the goals of the county conservation futures tax allocations over time as follows. “In accordance with chapter 84.34 RCW, the county shall maintain, preserve, conserve, expand and otherwise continue in existence adequate open space lands, and the county shall also achieve a broad geographical distribution of conservation futures proceeds.

Conservation futures proceeds shall be allocated in a manner that addresses equity and social justice by providing open spaces in communities in greatest need.” (KCC 26.12.005)

SECTION 2. ADVISORY COMMITTEE AND STAFFING

The King County Conservation Futures Advisory Committee (“Committee”) is a volunteer board with 16 positions that are appointed by the King County Executive and confirmed by the King County Council. The Committee’s primary role is to review applications for CFT funding and make funding recommendations to the Executive and the King County Council. Membership is comprised of:

- One individual from each King County Council district (nine total)
- Four individuals from council-at-large appointments (coordinated by the King County Council Chair)
- Three individuals from executive-at-large appointments (coordinated by the King County Executive)

The King County Department of Natural Resources and Parks appoints a CFT program coordinator to oversee the administration of the CFT funding program and the Committee process. The CFT program coordinator is the point of contact for all CFT-related questions (see *Section 11 - Contact Information*).

SECTION 3. APPLICATION TIMELINE

The typical yearly application and award timeline is as follows.

January	CFT program coordinator announces the annual CFT application process on the website and by email to agencies & interested parties.
March	Applications due in early March.
March to June	Committee reviews applications, conducts site visits with applicants, and determines its project funding recommendations.
By July 1	Committee provides a funding recommendation report to the King County Executive and the King County Council. Report is shared with all CFT funding applicants.
September	King County Executive makes CFT award recommendations by ordinance.
Late fall	The King County Council makes final decisions about CFT funding awards and adopts awards by ordinance (typically November). CFT program coordinator notifies the applicants of final award decisions.
During the following year, the CFT program coordinator works with successful applicants to make awarded funding available.	

The timeline could vary in years when CFT bond funding is available for application and award.

SECTION 4. ELIGIBILITY TO APPLY FOR AND RECEIVE FUNDING

CFT funding awards can only be made to the following eligible parties (based on RCW 84.34.210 and KCC 26.12.010):

- agencies (county, cities, towns, metropolitan park districts)
- eligible nonprofit historic preservation corporations¹
- eligible nonprofit nature conservancy corporation or associations²

While not eligible to receive awards, applications for CFT funding may also be made by other nongovernmental organizations or individuals. An applicant that is not eligible to receive CFT funding can work in partnership with a governmental agency or an eligible nonprofit who can receive awards and own CFT-funded land.

Properties purchased with CFT funding must always remain in the ownership of an eligible party as listed above.

SECTION 5. ELIGIBLE OPEN SPACE LANDS & PROPERTY INTERESTS

Properties eligible for funding must meet the definitions of open space land in RCW 84.34.020, which describes open space lands as land area that, if preserved, would:

- conserve or enhance natural or scenic resources
- protect streams or water supply
- promote conservation of soils, wetlands, beaches, or tidal marshes
- enhance the value to the public of abutting or neighboring parks, forests, wildlife preserves, nature reservations, sanctuaries, or other open space
- enhance recreation opportunities
- preserve historic sites
- preserve visual quality along highway, road, and street corridors or scenic vistas
- retain urban open spaces
- preserve farm and agricultural land

¹ "Nonprofit historic preservation corporation" means an organization which qualifies as being tax exempt under 26 U.S.C. section 501(c)(3) of the United States Internal Revenue Code of 1954, as amended, and which has as one of its principal purposes the conducting or facilitating of historic preservation activities within the state, including conservation or preservation of historic sites, districts, buildings, and artifacts. (RCW 64.05.130)

² "Nonprofit nature conservancy corporation or association" means an organization which qualifies as being tax exempt under 26 U.S.C. section 501(c) (of the Internal Revenue Code) as it exists on June 25, 1976 and one which has as one of its principal purposes

- the conducting or facilitating of scientific research;
- the conserving of natural resources, including but not limited to biological resources, for the general public;
- or the conserving of open spaces, including but not limited to wildlife habitat to be utilized as public access areas, for the use and enjoyment of the general public. (RCW 84.34.250, bullets added)

King County Code defines ‘open space land’ as “the fee simple interest in open space land, farm and agricultural land, and timberland as such are defined in chapter 84.34 RCW, including urban greenspaces³ in dense urban environments, for public use or enjoyment, or any lesser interest in those lands, including development rights, conservation futures, easement, covenant or other contractual right necessary to protect, preserve, maintain, improve, restore, limit the future use of or otherwise conserve the land.” (KCC 26.12.003.I)

CFT funding may be used to acquire property interests on open space lands such as:

- fee title to properties (i.e. purchasing the property outright)
- less-than-fee property rights such as easements or development rights to achieve conservation goals, while the property remains in private ownership

The applicant may seek to protect a parcel in its entirety, or to protect just a portion of a parcel. Applications often propose to conserve more than one parcel.

CFT funding may not be used to acquire any property interest through the exercise of the power of eminent domain or condemnation (KCC 26.12.010.H).

SECTION 6. EVALUATION CRITERIA

CFT Application Evaluation Criteria were adopted by Motion 15513. The following are the “Open Space Resources” criteria described in the motion:

- wildlife habitat or rare plant reserve
- salmon habitat and aquatic resources
- scenic resources
- community separator
- historic or cultural resources
- urban passive-use natural area or greenbelt
- park, open space or natural corridor addition
- passive recreation opportunity in an area with unmet needs
- projects that seek to redress historic disparities in access to open space in opportunity areas

The motion also describes “Additional Factors” that are to be considered as criteria:

- educational or interpretive opportunity
- impact to open space resources
- feasibility: ownership complexity, willing seller(s), community support
- partnerships
- identification in an adopted park, open space, comprehensive, or community plan
- Transferable Development Rights (TDR) participation

³ “Urban greenspaces” as used in CFT can refer to a variety of parks and open spaces in an urban setting that meet CFT use requirements (for example, it may include a small park with grassy areas, a small playground, and picnic tables; a forested greenbelt with trails; a regional trail; a community garden)

The Committee also considers anticipated stewardship and maintenance of property, regional significance, availability of match, equity, and adopted financial policies.

SECTION 7. ALLOWABLE USES

Adopted Policy Guidance

King County Council Motion 15513 adopted the following policies for use of CFT funding, as “General Conditions” #3 and #4:

“3. Future use of the property is restricted to low impact, passive-use recreation, which means that development of facilities to support organized/structured athletic activities such as ballfields, courts, and gyms is not allowed. Small playgrounds for children are allowed, within the 15% non-vegetative impervious surface limit described below, not to exceed 5,000 square feet, and compatible with the other open space values of the property. Future use is further limited to non-motorized use, except as is necessary for the following types of uses (and provided in a way that protects open space resources): maintenance, staging areas, entrance roads, and parking to provide public access.

4. A maximum of 15% of the total surface area of a proposed acquisition project may be developed or maintained with non-vegetative impervious surfaces. Trail surfaces (soft-surface or paved) are not included in the calculation of this restriction. This percentage may be adjusted in instances where the Advisory Committee recommends, and the King County Council determines, that parking or other developed features necessary for the use of the site are required, are compatible with open space resources, and would exceed the 15% limit (e.g., scenic viewpoints).”

Allowable Uses

Examples of allowable passive recreational uses on CFT-funded lands include:

- hiking
- walking
- horseback riding
- mountain biking on dispersed trails
- fishing
- gardening or farming
- playing on playgrounds
- free play on grass (e.g. kicking a ball or tossing a frisbee around)
- picnicking
- nature viewing

Other uses may also be compatible that do not require significant built infrastructure or programming.

On CFT-funded lands, green stormwater infrastructure approaches may focus on protecting natural landscapes that retain and infiltrate stormwater, add features that function and look like natural systems such as wetlands, and treat runoff from parking lots or impervious surfaces on the property (and nearby area) using features such as rain gardens and bioswales.

Incompatible Uses and Infrastructure

Recreational uses that require extensive/intensive infrastructure, development, and/or programming are typically not compatible with CFT funding. Examples of incompatible uses and infrastructure include:

- ballfields
- golf course
- disc golf course
- campgrounds
- fenced off-leash dog parks
- mountain biking park with a high density of trails and/or constructed course features
- dedicated equestrian training area with constructed course features

Regularly scheduled, organized events that could damage the site's resources are not compatible with CFT funding.

Compatible Infrastructure – Within the 15% Limit

Development that supports low-impact passive recreational uses is allowed, subject to the 15% limit on non-vegetative impervious surfaces. Trail surfaces (both paved and unpaved) do not count toward the 15% limit. Compatible infrastructure that may be built within the 15% limit includes features such as (see above, Allowable Uses, about considering green stormwater infrastructure to treat runoff if possible) :

- parking lots
- trailheads
- kiosks
- restrooms
- picnic tables
- picnic shelters
- small playgrounds (<5,000 s.f.)

Generally, on CFT-funded parks and open spaces there should not be permanent structures other than those passive recreation amenities noted above. There may be situations where other minor structures directly related to allowable uses of the site may be appropriate (e.g., a tool shed or greenhouse on a community garden; farm buildings if purchasing a farmland). Maintenance shops may be a temporary use in some cases.⁴

Accommodating More Intensive Uses or Infrastructure

An applicant may seek to secure CFT funding only for a portion of a larger site, proposing to use the remainder of the site to support more intensive recreation or infrastructure that is not compatible with CFT funding.

⁴ In limited circumstances, the CFT Advisory Committee may approve retaining an existing building on the property for a period of time to be used as a maintenance shop to maintain the CFT-funded property, within the 15% non-vegetative impervious surface limit. That proposal should be noted in the application. CFT funding cannot pay for the value of the structure used for a shop, and the funding used for structure purchase would not count as match to CFT funding. The building should be demolished when maintenance use ceases, and it should not be a long-term use on the property.

In such cases, the application could identify the specific CFT-eligible portion of the property that would meet CFT use and infrastructure requirements. The CFT-eligible portion of the property could be purchased with 50% CFT funding and 50% match funding (unless it qualifies for a match waiver, see Section 8). The funding used to purchase the remaining non-CFT-eligible portion of the site cannot count as match for CFT funding. The cost of the CFT-eligible portion of the property would need to be specifically evaluated, likely requiring analysis through an appraisal.

Applying CFT to only a portion of the site does not require a boundary line adjustment or legal lot segregation; the designation of where funding applies can be made administratively and referenced on the deed.

After an award is made and land has been purchased, if the owner of a CFT-funded property seeks to allow more intensive uses or development, the owner may follow conversion procedures to provide replacement land or reimbursement funding in order to remove CFT funding restrictions from the site (see *Section 10 – Award Administration/Conversions*).

Charging Fees

Fees may be charged on CFT-funded property subject to other applicable laws and regulations.

SECTION 8. MATCH

Match Requirement

For most projects, the agency or nonprofit must commit to providing a matching contribution that is no less than the amount of CFT funding awarded to the project, before CFT funding is paid to the agency or nonprofit. This is often referred to as a dollar-for-dollar match.

KCC 26.12.010E identifies allowable sources of match:

1. cash
2. land match with a valuation verified by a reviewed appraisal
3. the cash value, excluding King County Conservation Futures contributions, of other open spaces acquired within the previous two years from the date of the submittal of the application by the agency or nonprofit organization

The latter two types of match should be directly linked to the property under application and meet CFT allowable use policies (see *Section 7 – Allowable Uses*).

While match must be secured before CFT funding is paid to the award recipient, match does not have to be secured at the time of application for CFT funding. CFT funding is sometimes the first funding awarded to a project, helping a project secure awards from other grant sources.

Match Waiver for Opportunity Area Projects

Some projects may qualify for a “match waiver,” meaning that CFT funding could pay 100% of the eligible project acquisition costs.

The match waiver policy was designed to help fund projects that would provide parks and open spaces in the most under-served parts of the county, where “past history of inequities, discrimination, injustices, and limited regional investment is evident today.”⁵ Providing a match waiver is intended to help “eliminate disparities in access to public open spaces and trails in communities with the greatest and most acute needs.”⁶

A project may qualify for a match waiver if it is determined to be located in an “opportunity area,” by one of two methods as described below.

Method 1. Meeting Three Mapped Criteria

Project is located in a part of the county with the lowest incomes, highest hospitalization rates, and no nearby open spaces (as mapped by King County DNRP).

Described in code as:

1. Areas within King County that:
 - a. are located in a census tract in which the median household income is in the lowest one-third for median household income for census tracts in King County;
 - b. are located in a ZIP code in which hospitalization rates for asthma, diabetes and heart disease are in the highest one-third for ZIP codes in King County; and
 - c. are within the Urban Growth Boundary and do not have a publicly owned and accessible park or open space within one-quarter mile of a residence, or are outside the Urban Growth Boundary and do not have a publicly owned and accessible park or open space within two miles of a residence. (KCC 26.12.003J):

Method 2. Qualitative Method

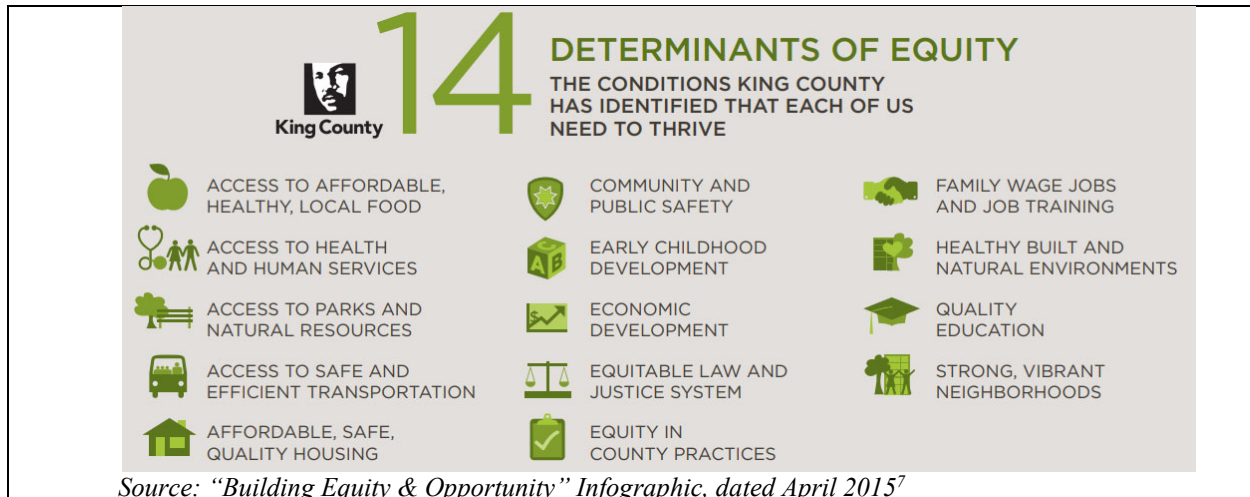
CFT Committee determines that residents in the project area, or the population served by the project, experience disproportionately limited access to open spaces, and demonstrated hardships related to income, health, social, environmental or other factors.

Described in code as:

2. Areas where the project proponent or proponents can demonstrate, and the advisory committee determines, that residents living in the area, or the populations the project is intended to serve,
 - disproportionately experience limited access to public open spaces and
 - experience demonstrated hardships including, but not limited to, low income, poor health and social and environmental factors that reflect a lack of one or more conditions for a fair and just society as defined as "determinants of equity" in K.C.C. 2.10.210. (KCC 26.12.003J)

⁵ King County Land Conservation Advisory Group, Final Report, Dated December 2017, page 15 (available at: <http://kingcounty.gov/land-conservation>)

⁶ Ibid, page 16



Applying for a Match Waiver/Opportunity Area Determination

An applicant seeking a match waiver should contact the CFT program coordinator well in advance of application submittal to discuss the proposal, and to receive a data report on how the project meets certain relevant criteria.

The applicant needs to make the case in the application that they are in an opportunity area and thus eligible for a match waiver. Information in the data report may be used in completing the application; the applicant is welcome to provide other relevant information.

Opportunity area proposals should have engagement and collaboration with community-based organizations and/or members of the community. Collaboration can be demonstrated through at least two letters of support and a description of community outreach held to date, or planned in the future. In reviewing how a project meets criteria, proposals that demonstrate community support would be prioritized higher than those without demonstrated support.

During project review, the Committee will determine whether the project meets opportunity area criteria and qualifies for a match waiver. As with every other application, the project will also be reviewed on its merits and how it meets CFT criteria and policies (see *Section 6 - Evaluation Criteria*). The Committee would then determine whether to recommend a funding award.

The applicant is asked on the application if the Committee should consider the project for a standard CFT funding award (requiring dollar-for-dollar match) if the Committee determines that the project does not meet opportunity area criteria and does not qualify for a match waiver.

SECTION 9. ELIGIBLE COSTS

The following is a list of acquisition-related costs eligible for CFT funding, as described in KCC 26.12.010.H (bullets added for clarity):

⁷ <https://www.kingcounty.gov/elected/executive/~media/B102A4C8AAE440F1A79BCE76986E80F5.ashx?la=en>

“Disbursement requests shall be made only for:

- capital project expenditures that include all costs of acquiring real property, including interests in real property

and the following costs, though it shall not include the cost of preparing applications for conservation futures moneys:

- cost of related relocation of eligible occupants
- cost of appraisal
- cost of appraisal review
- cost of title insurance
- closing costs
- pro rata real estate taxes
- recording fees
- compensating tax
- hazardous waste substances reports
- directly related staff costs
- related legal and administrative costs”

For most projects, CFT funding can pay up to 50% of eligible costs (up to the total amount of CFT funding awarded to a project), with the remaining costs paid by matching funding. For opportunity area projects that qualify for a match waiver, CFT funding may pay up to 100% of eligible costs.

The purchase price of the property should be determined by a reviewed appraisal; i.e., the property should be valued based on an appraisal, and that appraisal should be reviewed by an independent third-party appraiser. (KCC 26.12.010.H and 26.12.003.L)

SECTION 10. AWARD ADMINISTRATION

Award Agreements

The CFT program coordinator works with governmental agencies such as cities or park districts to create or amend Interlocal Cooperation Agreements in order to disburse funding to acquisition projects. The CFT program coordinator works with nonprofits on award agreements. These agreements and amendments are typically when an acquisition is successful but can be put in place before project completion.

Deed Restriction

CFT-funded property must be managed in accordance with the funding source requirements in perpetuity, and must remain under the ownership of an entity eligible to receive CFT funding (see *Section 4 – Eligibility to Apply for and Receive Funding*). All properties purchased in fee with CFT funding must have the following language recorded on the deeds (acquisitions by nonprofits may have additional deed language or recorded instruments required):

The property herein conveyed was purchased with King County Conservation Futures Tax Levy funds and is subject to open space use restrictions and restrictions on alienation as specified in RCW 84.34.200, et seq., and King County Code 26.12.005, et seq.

If CFT funding is used to acquire only a portion of a site, the document should specify the restricted footprint through a written description and/or a map. If CFT funding is used to acquire a conservation easement or other less-than-fee interest, the recorded document should cite CFT funding in a manner similar to the deed restriction above. This deed restriction should also be applied to properties used as match.

Deeds will be reviewed when a reimbursement request is made. If the deed lacks the appropriate language, the award recipient can work with the CFT program coordinator to record a declaration of restrictive covenant.

Reimbursement

Refer to *Section 9 – Eligible Costs* above for a list of costs that are eligible for CFT funding once an award agreement is in place.

Often CFT funding is provided as reimbursement for completed acquisitions, based on an invoice and supporting documentation (e.g., closing statement, wire transfer, recorded deed, deed restriction documentation, invoices for appraisals, payroll reports). It may be possible for King County to make funding available during the acquisition process once an award agreement is in place (e.g. making CFT funding available to the title company for escrow at the time or purchase).

Retroactivity for Prior Costs

At times, an applicant may need to incur costs (e.g., order title and appraisal) or even purchase a parcel in advance of applying for or receiving a CFT award. Those expenditures may be able to be counted as match and/or receive CFT reimbursement if the project is awarded CFT funding. There is no requirement to file prior notice with the CFT program if making advance expenditures, but discussion with the CFT program coordinator is always recommended. If seeking to count previously incurred costs or property expenditures as match, the applicant should review CFT policies and match guidelines to ensure these costs can qualify. There is no guarantee that CFT funding will be awarded to a project which makes advance expenditures or land purchases.

Scope Changes

A CFT award recipient can contact the CFT program coordinator to discuss potential changes or clarifications to scope (e.g., acquisition failed on the target parcel so the project manager seeks to add a new parcel to the scope, or to shift focus to parcels previously identified as secondary priorities in the scope). Some scope changes may be made during the year. Scope changes can also be requested during the annual reporting process, with requested changes typically discussed at the Committee’s “Project Progress Review and Supplemental Funding Request Meeting.” Scope changes are documented in the Committee’s “Annual Project Progress Report.”

Opportunities for Additional Funding

At times a CFT project that has been awarded funding may need additional funding (e.g., if the project only received a partial funding request, or if costs are higher than anticipated). There are two opportunities to seek additional funding:

1. An award recipient may apply for additional funding during the standard application cycle.
2. An award recipient may request additional funding by contacting the CFT program coordinator. Requests will be heard once a year at the Committee's "Project Progress Review and Supplemental Funding Request Meeting," when the Committee may recommend redistribution of CFT funding that is excess from other projects. County Council approval is required to make redistributed CFT funding available.

Project Completion

CFT funding awards should typically be expended within two years of approval by the King County Council as indicated in Motion 15513. If CFT funding in a project remains unspent after two years, the award recipient will be asked to report to the Committee at the "Project Progress Review and Supplemental Funding Request Meeting." The project manager will need to demonstrate to the Committee a compelling reason for an extension of CFT funding award beyond the two-year limit, or unspent project funding may be reallocated to another project.

If a funded CFT project fails and the property cannot be acquired, the award recipient should report that outcome to the CFT program coordinator at the earliest opportunity so funding can be made available to other projects.

Property Transfer

CFT-funded property must be managed in accordance with the funding source requirements in perpetuity, under the ownership of an entity eligible to receive CFT funding. King County Code states that "Projects carried out in whole or part with conservation futures tax levy proceeds shall not be transferred or conveyed except to an agency or nonprofit organization by written agreement providing that the land or interest in land shall be continued to be used for the purposes of K.C.C. chapter 26.12 and in strict conformance with the uses authorized under RCW 84.34." (KCC 26.12.010.I)

Conversions/Change in Use

At times, the owner of a CFT-funded site may propose to sell or use the land for purposes that are inconsistent with CFT funding. This is considered a "conversion" of the CFT-funded property. The owner of the property must either provide equivalent⁸ lands or cash reimbursement, based on a valuation of the CFT-funded property in its changed status or use⁹,

⁸ "Equivalent" considers a number of factors including value, acreage, open space function, location, etc.

⁹ The phrase "in its changed status or use" means that the appraisal should calculate the current market value of the property as though Conservation Futures funding restrictions have been removed and it is developable.

and as approved by King County. The owner should contact the CFT program coordinator at the earliest opportunity to discuss the procedures for a conversion.

SECTION 11. CONTACT INFORMATION

Please visit the Conservation Futures website for current contact and program information:
www.kingcounty.gov/CFT.



WWRP Project Agreement

Outdoor Recreation Account

Project Sponsor North Bend, City of
Project Title Meadowbrook Farm

Project Number 96-196A
IAC Approval Date 5/14/1996

Purpose of Agreement

The purpose of this Project Agreement is to set out the terms and conditions under which a grant is being made from the Outdoor Recreation Account of the General Fund of the State of Washington by the Interagency Committee for Outdoor Recreation (IAC) to the Project Sponsor, for the project identified above.

Description of Project

The Project which is the subject of this Agreement is described on the Project Summary (Attachment A). Acquisition and/or development activities eligible for reimbursement are described on the Eligible Reimbursement Activities Report (Attachment B).

Terms of Agreement

The Project reimbursement period shall be effective upon November 15, 1996 and terminate on July 1, 1997. Unless otherwise provided for, no expenditure made prior to the effective date or after the termination date will be eligible for reimbursement unless incorporated by written amendment into this Agreement. The Sponsor's ongoing obligation for the above project shall be perpetual unless otherwise identified in this Agreement.

Project Funding

	Percentage	Dollar Amount
IAC - WWRP - LP	.11	500,000.00
Project Sponsor	.89	4,134,000.00
Total Project Cost	1.00	4,634,000.00

Additional Provisions or Modifications of the General Provisions (Special Conditions)

Attachment D is the legal description for the entire 450 acre purchase minus 5 tax lots (111.2 acres) retained by the cities for non-recreational agricultural purposes.

Compliance with Applicable Statutes, Rules, and IAC Policies

This Project Agreement shall be governed by, and the Project Sponsor shall comply with, all the applicable provisions of Chapter 43.98A RCW, chapter 286 WAC and published IAC policies and guidelines, which are incorporated herein by this reference as if fully set forth.

Entire Agreement

This Agreement, including the Project Summary (Attachment A), Eligible Reimbursement Activities Report (Attachment B), and the General Provisions (Attachment C), sets forth the entire agreement between the parties. Commitments, warranties, representations and understandings or agreements not contained, or referred to, in this Agreement or written amendment hereto shall not be binding on either party. Except as may be expressly provided herein, no alteration of any of the terms or conditions of this Agreement will be effective unless in writing and signed by both parties.

Notices

All written communications which are to be given to the Project Sponsor under this Agreement will be addressed and delivered to:

Name: Sara Bary
Title: Project Manager
Address: P.O. Box 896
North Bend, WA 98045

All written communications which are to be given to the IAC under this Agreement will be addressed and delivered to:

Interagency Committee for Outdoor Recreation
Natural Resources Building
P.O. Box 40917
Olympia, Washington 98504-0917

These addresses shall be effective until receipt by one party from the other of a written notice of any change.

**State of Washington
Interagency Committee for
Outdoor Recreation**

Project Sponsor

BY: Laura E. Johnson
Laura Eckert Johnson
TITLE: Director
DATE: November 12, 1996

AGENCY: City of North Bend
BY: Joan M. Simpson
Joan M. Simpson
TITLE: Mayor
DATE: 11/21/96

Pre-approved as to form:
By: /S/
Assistant Attorney General

AGENCY: City of Snoqualmie
BY: Jeanne P. Hansen
Jeanne P. Hansen
TITLE: Mayor
DATE: 11/20/96

PARCEL 1:

THAT PORTION OF SECTION 4, TOWNSHIP 23 NORTH, RANGE 8 EAST W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT THE WEST 1/4 CORNER OF SECTION 4:
THENCE SOUTH 88°56'06" EAST ALONG THE NORTHERLY LINE OF THE PLAT OF MEADOW BROOK TRACTS 1.093.11 FEET TO THE EASTERLY LINE OF A COUNTY RIGHT-OF-WAY (MEADOWBROOK - NORTH BEND ROAD S.E.), AS CONVEYED BY DEED RECORDED UNDER RECORDING NO. 4833817;
THENCE NORTH 30°24'10" WEST ALONG SAID RIGHT-OF-WAY 338.36 FEET TO A POINT OF CURVE:
THENCE ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 497.09 FEET THROUGH AN ARC OF 186.40 FEET TO A POINT OF TANGENCY ON SAID RIGHT-OF-WAY LINE;
THENCE NORTH 08°55'03" WEST 1.492.16 FEET TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION;
THENCE SOUTH 08°55'03" EAST ALONG SAID EASTERLY LINE 1.447.16 FEET TO THE NORTHERLY LINE OF THE CAMPBELL AND SMITH TRACT AS DESCRIBED IN INSTRUMENT RECORDED UNDER RECORDING NO. 7205030335;
THENCE ALONG SAID NORTHERLY LINE THROUGH THE FOLLOWING TWO COURSES AND DISTANCES: SOUTH 87°38'01" EAST 220.00 FEET;
THENCE SOUTH 78°48'13" EAST 437.69 FEET TO THE THREAD OF GARDNER CREEK;
THENCE NORTHEASTERLY ALONG SAID THREAD TO THE SOUTHWESTERLY LINE OF MILWAUKEE RAILROAD RIGHT-OF-WAY, AS CONVEYED BY DEED RECORDED UNDER RECORDING NO. 693364;
THENCE NORTH 25°40'30" WEST ALONG SAID SOUTHWESTERLY LINE TO A POINT WHICH BEARS NORTH 86°10'30" EAST FROM THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION;
THENCE SOUTH 86°10'30" WEST 1.035.54 FEET TO THE TRUE POINT OF BEGINNING:
EXCEPT THE NORTH 862.00 FEET, MEASURED AT RIGHT ANGLES TO THE NORTH LINE THEREOF;

SITUATE IN THE CITY OF NORTH BEND, COUNTY OF KING, STATE OF WASHINGTON.

PARCEL 2:

THAT PORTION OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 AND OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 4, TOWNSHIP 23 NORTH, RANGE 8 EAST W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT THE CENTER OF SAID SECTION 4:
THENCE EASTERLY ALONG THE SOUTH LINE OF THE NORTHEAST 1/4 OF SAID SECTION 4 TO THE EASTERLY LINE OF THE MILWAUKEE RAILROAD RIGHT-OF-WAY, AS CONVEYED BY DEED RECORDED UNDER RECORDING NO. 693364 AND THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION;
THENCE NORTH 25°40'30" WEST ALONG SAID RIGHT-OF-WAY TO THE SOUTH LINE OF GOVERNMENT LOT 3 OF SAID SECTION;
THENCE EASTERLY ALONG THE SOUTH LINE OF GOVERNMENT LOT 3 AND 2 OF SAID SECTION TO THE WEST BANK OF THE SOUTH FORK OF THE SNOQUALMIE RIVER;
THENCE SOUTHERLY ALONG SAID WEST BANK TO THE SOUTH LINE OF THE NORTHEAST 1/4 OF SAID SECTION 4;
THENCE WEST ALONG SAID SOUTH LINE TO THE TRUE POINT OF BEGINNING;

9312020903

TOGETHER WITH AN EASEMENT FOR INGRESS, EGRESS AND UTILITIES OVER A 60 FOOT STRIP OF LAND THE CENTER LINE OF WHICH IS DESCRIBED AS FOLLOWS:
BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 2, BLOCK 2, OF THE PLAT OF MEADOWBROOK TRACTS;
THENCE ALONG THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 4;
THENCE NORTH 89°00'12" EAST 58.98 FEET TO THE NORTHEASTERLY RIGHT-OF-WAY MARGIN OF OLD SUNSET HIGHWAY;
THENCE NORTH 32°07'08" WEST ALONG SAID MARGIN 848.27 FEET TO THE TRUE POINT OF BEGINNING OF SAID CENTERLINE;
THENCE NORTH 57°52'52" EAST 1,160.38 FEET TO A POINT OF TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 100 FEET;
THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 70°48'33" AN ARC DISTANCE OF 123.59 FEET TO A POINT OF REVERSE CURVE HAVING A RADIUS OF 100 FEET;
THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 75°32'13" AN ARC DISTANCE OF 131.84 FEET TO THE SOUTHWESTERLY RIGHT-OF-WAY MARGIN OF SAID CHICAGO-MILWAUKEE ST. PAUL AND PACIFIC RAILROAD AND THE TERMINUS OF SAID CENTERLINE:

EXCEPT THE SOUTHERLY PORTION OF SAID EASEMENT TRACT LYING WITHIN A TRACT OF LAND CONVEYED TO EDWARD R. TILTON AND CAROLYN K. TILTON, BY DEED RECORDED UNDER RECORDING NO. 8512031344:

SITUATE IN THE CITY OF NORTH BEND, COUNTY OF KING, STATE OF WASHINGTON.

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PARCEL 1:

THOSE PORTIONS OF SECTION 32, TOWNSHIP 24 NORTH, RANGE 8 EAST W.M., SECTIONS 4 AND 5, TOWNSHIP 23 NORTH, RANGE 8 EAST W.M., AND OF MEADOWBROOK TRACTS, AS PER PLAT RECORDED IN VOLUME 29 OF PLATS, PAGE 29, RECORDS OF KING COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 32;
THENCE NORTH 89°45'19" EAST ALONG THE SECTION LINE 2,126.20 FEET TO THE EASTERLY LINE OF THE 100 FOOT NORTHERN PACIFIC RAILROAD RIGHT-OF-WAY (PUGET SOUND RAILWAY HISTORICAL ASSOCIATION, INC.) AS CONVEYED BY DEED NO. 12138 AND CHANGED TO 100 FEET BY RECORDING NO. 796133 AND THE TRUE POINT OF BEGINNING;
THENCE NORTH 25°30'30" WEST ALONG SAID RIGHT-OF-WAY 440.10 FEET TO THE MOST SOUTHERLY CORNER OF A TRACT OF LAND DEEDED TO C. BRADON HALL BY DEED RECORDED UNDER RECORDING NO. 5013363;
THENCE NORTH 44°51'00" EAST ALONG THE SOUTHEASTERLY LINE OF SAID DEEDED TRACT 538.23 FEET TO THE WESTERLY LINE OF A STATE HIGHWAY RIGHT-OF-WAY, THE NEW SUNSET HIGHWAY (S.E. SNOQUALMIE NORTH BEND RD.);
THENCE SOUTH 44°09'00" EAST ALONG SAID WESTERLY LINE A DISTANCE OF 4,839.17 FEET TO THE SOUTHERLY LINE OF THE NORTHWEST 1/4 OF SAID SECTION 4;
THENCE NORTH 88°56'06" WEST ALONG SAID SOUTHERLY LINE 195.13 FEET TO THE WEST 1/4 CORNER OF SAID SECTION 4, SAID POINT ALSO BEING THE NORTHWEST CORNER OF LOT 1 IN BLOCK 4 OF MEADOWBROOK TRACTS, AS PER PLAT RECORDED IN VOLUME 29 OF PLATS, PAGE 29, RECORDS OF KING COUNTY;
THENCE SOUTH 03°12'11" WEST 609.82 FEET TO THE NORTHERLY LINE OF A COUNTY RIGHT OF WAY (S.E. 160TH STREET), AS DEDICATED ON SAID PLAT AND THE SOUTHEAST CORNER OF LOT 5 IN BLOCK 4 OF SAID PLAT;
THENCE NORTH 89°36'27" WEST ALONG SAID RIGHT-OF-WAY 682.00 FEET; THENCE SOUTH 03°12'11" WEST 60.07 FEET;
THENCE SOUTH 89°36'27" EAST 127.00 FEET;
THENCE SOUTH 03°12'11" WEST 546.46 FEET TO AN INTERSECTION OF THE EAST LINE OF LOT 10 IN BLOCK 3 OF SAID PLAT WITH THE NORTHERLY LINE OF A STATE HIGHWAY RIGHT-OF-WAY;
THENCE ALONG A RIGHT-OF-WAY CURVE TO THE LEFT WITH A RADIUS OF 5,890.00 FEET THROUGH AN ARC OF 437.87 FEET TO A POINT OF TANGENCY;
THENCE NORTH 59°05'50" WEST 946.61 FEET TO AN INTERSECTION WITH THE NORTHEASTERLY LINE OF SAID NORTHERN PACIFIC RAILROAD RIGHT-OF-WAY;
THENCE ALONG A RIGHT-OF-WAY CURVE TO THE RIGHT WITH A RADIUS OF 2,814.93 FEET THROUGH AN ARC OF 498.14 FEET TO A POINT OF TANGENCY;
THENCE NORTH 25°30'30" WEST 147.60 FEET TO THE MOST SOUTHERLY CORNER OF A TRACT OF LAND DEEDED TO A.J. MOFFAT AND FRANCES MOFFAT BY DEED RECORDED UNDER RECORDING NO. 2355514;
THENCE NORTH 09°39'45" WEST ALONG THE BOUNDARY LINE OF SAID DEEDED TRACT 53.55 FEET;
THENCE NORTH 17°50'45" EAST 97.23 FEET;
THENCE NORTH 31°19' EAST 254.81 FEET;
THENCE SOUTH 59°20' EAST 177.12 FEET;
THENCE NORTH 77°37'30" EAST 184.00 FEET;
THENCE NORTH 64°39'30" EAST 98.00 FEET;
THENCE NORTH 75°52'30" EAST 102.00 FEET;
THENCE NORTH 65°16'15" EAST 228.00 FEET;
THENCE SOUTH 76°53'45" EAST 80.00 FEET;
THENCE NORTH 22°06'15" EAST 75.00 FEET;

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THENCE NORTH 12°35' WEST 42.00 FEET;
THENCE NORTH 24°57'15" EAST 70.00 FEET;
THENCE NORTH 57°43' EAST 59.00 FEET;
THENCE NORTH 29°58' EAST 122.00 FEET;
THENCE NORTH 19°15' WEST 314.00 FEET;
THENCE NORTH 72°10'18" WEST 321.69 FEET;
THENCE SOUTH 60°29'30" WEST 256.00 FEET;
THENCE SOUTH 84°33' WEST 197.57 FEET TO THE MOST EASTERLY CORNER OF A TRACT OF
LAND DEEDED TO W.E. MENOLD AND CLELLA MENOLD BY DEED RECORDED UNDER RECORDING
NO. 4320334;
THENCE ALONG THE NORTHERLY LINES OF SAID MENOLD TRACT NORTH 45°16' WEST 607.60
FEET;
THENCE SOUTH 64°29'30" WEST 492.68 FEET TO EASTERLY LINE OF SAID NORTHERN
PACIFIC RAILROAD RIGHT-OF-WAY;
THENCE NORTH 25°30'30" WEST ALONG SAID RIGHT-OF-WAY 252.44 FEET;
THENCE NORTH 00°48'57" EAST 112.75 FEET;
THENCE NORTH 25°30'30" WEST 1,153.29 FEET;
THENCE SOUTH 89°45'19" WEST 55.29 FEET TO THE TRUE POINT OF BEGINNING;

EXCEPT THAT PORTION THEREOF LYING WITHIN THE FOLLOWING DESCRIBED TRACT:

BEGINNING THE WEST 1/4 CORNER OF SAID SECTION 4;
THENCE SOUTH 88°56'06" EAST ALONG SAID SOUTH LINE 196.13 FEET TO THE WESTERLY
MARGIN OF NEW SUNSET HIGHWAY AND THE POINT OF BEGINNING;
THENCE NORTH 44°09'00" WEST 251.17 FEET TO THE NORTHERLY LINE OF THOSE TRACTS
DESCRIBED UNDER RECORDING NOS. 7311290246 AND 7810180500, SAID POINT ALSO
BEING A POINT OF CURVE TO THE LEFT WHOSE CENTER BEARS SOUTH 45°51'00" WEST
25.00 FEET;
THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00" AN ARC
DISTANCE OF 37.29 FEET;
THENCE SOUTH 45°51'00" WEST 183.00 FEET;
THENCE SOUTH 44°09'00" EAST 204.64 FEET;
THENCE NORTH 51°41'10" EAST 153.25 FEET, MORE OR LESS, TO THE SOUTH LINE OF
SAID SUBDIVISION;
THENCE SOUTH 88°56'06" EAST ALONG SAID SOUTH LINE TO THE WESTERLY MARGIN OF
NEW SUNSET HIGHWAY AND THE POINT OF BEGINNING;

AND EXCEPT THAT PORTION THEREOF FOR STATE HIGHWAY NO. 2, AS CONVEYED TO KING
COUNTY BY DEED RECORDED UNDER RECORDING NO. 6085501;

SITUATE IN THE TOWN OF SNOQUALMIE, CITY OF NORTH BEND, COUNTY OF KING,
STATE OF WASHINGTON.

PARCEL 2:

THOSE PORTIONS OF SECTIONS 32 AND 33, TOWNSHIP 24 NORTH, RANGE 8 EAST W.M.,
SECTIONS 4 AND 5, TOWNSHIP 23 NORTH, RANGE 8 EAST W.M., AND OF MEADOWBROOK
TRACTS, AS PER PLAT RECORDED IN VOLUME 29 OF PLATS, PAGE 29, RECORDS OF KING
COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE WEST 1/4 CORNER OF SAID SECTION 4;
THENCE SOUTH 88°56'06" EAST ALONG THE NORTHERLY LINE OF SAID PLAT OF MEADOW
BROOK TRACTS 311.83 FEET TO THE EASTERLY LINE OF A STATE HIGHWAY RIGHT-OF-WAY
(S.E. SNOQUALMIE NORTH BEND ROAD), AS CONVEYED BY DEED RECORDED UNDER

9401313166

RECORDING NO. 1857675;

THENCE NORTH 44°09' WEST ALONG SAID RIGHT-OF-WAY 4,924.04 FEET TO THE SOUTHERLY LINE OF A TRACT CONVEYED TO KING-COUNTY SCHOOL DISTRICT NO. 410, BY DEED RECORDED UNDER RECORDING NO. 6453231 AND THE TRUE POINT OF BEGINNING; THENCE ALONG SAID SOUTHERLY LINES TO A POINT OF CURVE THROUGH THE FOLLOWING 14 COURSES AND DISTANCES: NORTH 44°03'59" EAST 301.19 FEET; THENCE NORTH 29°15'06" WEST 247.39 FEET; THENCE NORTH 08°41'49" EAST 327.43 FEET; THENCE NORTH 40°45'59" EAST 279.49 FEET; THENCE NORTH 79°05'14" EAST 185.03 FEET; THENCE NORTH 57°14'14" EAST 128.18 FEET; THENCE NORTH 64°12'29" EAST 209.99 FEET; THENCE NORTH 65°48'24" EAST 326.44 FEET; THENCE NORTH 55°47'49" EAST ALONG THE SOUTH LINE OF A TRACT DESCRIBED IN INSTRUMENT RECORDED UNDER RECORDING NO. 8507080559, A DISTANCE OF 1,205.50 FEET, MORE OR LESS, TO THE WEST MARGIN OF MEADOWBROOK - NORTH BEND ROAD S.E., AS CONVEYED BY DEED RECORDED UNDER RECORDING NO. 4833817; THENCE SOUTHERLY ALONG A CURVE TO THE LEFT ON SAID MARGIN, HAVING A RADIUS OF 635.91 FEET AN ARC DISTANCE OF 298.47 FEET TO A POINT OF TANGENCY IN SAID MARGIN; THENCE SOUTH 75°04'15" EAST 473.83 FEET TO A POINT OF CURVE; THENCE ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 240.13 FEET THROUGH AN ARC OF 170.28 FEET TO A POINT OF TANGENCY; THENCE SOUTH 34°36'30" EAST 435.52 FEET TO A POINT OF CURVE; THENCE ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 307.11 FEET THROUGH AN ARC OF 143.11 FEET TO A POINT OF TANGENCY; THENCE SOUTH 07°44'30" EAST 1,870.31 FEET; THENCE SOUTH 08°55'03" EAST 816.62 FEET TO THE NORTHEAST CORNER OF A TRACT CONVEYED TO THE CATHOLIC ARCHBISHOP BY DEED RECORDED UNDER RECORDING NO. 6278995 AND RECONVEYED BACK TO SNOQUALMIE VALLEY LAND CO. BY DEED RECORDED UNDER RECORDING NO. 8207010625; THENCE SOUTH 87°11'28" WEST ALONG SAID LINE AND ITS WESTERLY PROLONGATION 2035.22 FEET TO THE EASTERLY LINE OF SAID STATE HIGHWAY RIGHT OF WAY; THENCE NORTH 44°09'00" WEST 2370.98 FEET TO THE POINT OF BEGINNING;

EXCEPT THAT PORTION THEREOF FOR STATE HIGHWAY NO. 2 (S.E. SNOQUALMIE NORTH BEND ROAD), AS CONVEYED TO KING COUNTY BY DEEDS RECORDED UNDER RECORDING NOS. 6085500, 6087825 AND 6087826;

SITUATE IN THE TOWN OF SNOQUALMIE, CITY OF NORTH BEND, COUNTY OF KING, STATE OF WASHINGTON.

PARCEL 3:

THE NORTH 862.00 FEET, MEASURED AT RIGHT ANGLES TO THE NORTH LINE THEREOF, OF THAT PORTION OF SECTION 4, TOWNSHIP 23 NORTH, RANGE 8 EAST W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT THE WEST 1/4 CORNER OF SECTION 4;

THENCE SOUTH 88°56'06" EAST ALONG THE NORTHERLY LINE OF THE PLAT OF MEADOWBROOK TRACTS 1,093.11 FEET TO THE EASTERLY LINE OF A COUNTY RIGHT-OF-WAY (MEADOWBROOK - NORTH BEND ROAD S.E.), AS CONVEYED BY DEED RECORDED UNDER RECORDING NO. 4833817; THENCE NORTH 30°24'10" WEST ALONG SAID RIGHT-OF-WAY 338.36 FEET TO A POINT OF

CURVE:

THENCE ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 497.09 FEET THROUGH AN ARC OF 186.40 FEET TO A POINT OF TANGENCY ON SAID RIGHT-OF-WAY LINE;

THENCE NORTH 08°55'03" WEST 1,492.16 FEET TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION;

THENCE SOUTH 08°55'03" EAST ALONG SAID EASTERLY LINE 1,447.16 FEET TO THE NORTHERLY LINE OF THE CAMPBELL AND SMITH TRACT AS DESCRIBED IN INSTRUMENT RECORDED UNDER RECORDING NO. 7205030335;

THENCE ALONG SAID NORTHERLY LINE THROUGH THE FOLLOWING TWO COURSES AND DISTANCES: SOUTH 87°38'01" EAST 220.00 FEET;

THENCE SOUTH 78°48'13" EAST 437.69 FEET TO THE THREAD OF GARDNER CREEK;

THENCE NORTHEASTERLY ALONG SAID THREAD TO THE SOUTHWESTERLY LINE OF MILWAUKEE RAILROAD RIGHT-OF-WAY, AS CONVEYED BY DEED RECORDED UNDER RECORDING NO. 693364;

THENCE NORTH 25°40'30" WEST ALONG SAID SOUTHWESTERLY LINE TO A POINT WHICH BEARS NORTH 86°10'30" EAST FROM THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION;

THENCE SOUTH 86°10'30" WEST 1,035.54 FEET TO THE TRUE POINT OF BEGINNING;

SITUATE IN THE CITY OF NORTH BEND, COUNTY OF KING, STATE OF WASHINGTON.

Except for:

- Tax Lot 107 (20 acres)
- Tax Lot 108 (20 acres)
- Tax Lot 109 (20 acres)
- Tax Lot 110 (20 acres)
- Tax Lot 51 (31.2 acres)

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THAT PORTION OF SECTION 4 AND 5, TOWNSHIP 23 NORTH, RANGE 8 EAST W.M.
DESCRIBED AS FOLLOWS:

BEGINNING AT THE WEST 1/4 CORNER OF SAID SECTION 4:

THENCE SOUTH 88°55'06" EAST ALONG THE NORTHERLY LINE OF MEADOWBROOK TRACTS AS
PER PLAT RECORDED IN VOLUME 29 OF PLATS, PAGE 29, RECORDS OF KING COUNTY
311.83 FEET TO THE EASTERLY LINE OF A STATE HIGHWAY RIGHT OF WAY (S.E.
SNOQUALMIE-NORTH BEND ROAD), AS CONVEYED BY DEED RECORDED UNDER RECORDING NO.
1857675;

THENCE NORTH 44 DEGREES 09 MINUTES 00 SECONDS WEST ALONG SAID RIGHT OF WAY
2,352.78 FEET TO A POINT WHICH BEARS SOUTH 87 DEGREES 11 MINUTES 28 SECONDS
WEST 784.42 FEET FROM THE NORTHWEST CORNER OF A TRACT CONVEYED TO THE CATHOLIC
ARCHBISHOP BY DEED RECORDED UNDER RECORDING NO. 6278995 AND RECONVEYED BACK TO
SNOQUALMIE VALLEY LAND CO. BY DEED RECORDED UNDER RECORDING NO. 8207010625,
SAID POINT ALSO BEING THE TRUE POINT OF BEGINNING;

THENCE NORTH 87 DEGREES 11 MINUTES 28 SECONDS EAST ALONG THE NORTHERLY LINE OF
SAID TRACT AND ITS WESTERLY PROLONGATION 2,035.22 FEET TO THE WEST MARGIN OF
MEADOWBROOK-NORTH BEND ROAD S.E. AS CONVEYED BY DEED RECORDED UNDER RECORDING
NO. 4833817;

THENCE SOUTH 08 DEGREES 33 MINUTES 03 SECONDS EAST ALONG SAID MARGIN 1.485
FEET, MORE OR LESS, TO THE THREAD OF GARDNER CREEK;

THENCE WESTERLY ALONG THE THREAD OF GARDNER CREEK TO THE EASTERLY MARGIN OF
SAID STATE HIGHWAY RIGHT OF WAY;

THENCE NORTH 44 DEGREES 09 MINUTES 00 SECONDS WEST ALONG SAID EASTERLY MARGIN
2,410 FEET, MORE OR LESS, TO THE POINT OF BEGINNING;

SITuate IN THE CITY OF NORTH BEND, COUNTY OF KING, STATE OF WASHINGTON.



WWRP - LP Project Summary

November 06, 1996

TITLE: Meadowbrook Farm	NUMBER: 96-196 A
APPLICANT: North Bend, City of	TYPE: Acquisition
COSTS: IAC \$500,000.00 .09 % Local \$4,134,000.00 .89 % Total \$4,634,000.00 1.00%	EVALUATION SCORE: EVALUATION RANKING:
	IAC MEETING DATE: 05/14/1996

DESCRIPTION:

Located on the roads that link downtown North Bend and Snoqualmie, the 450 acre Meadowbrook Farm provides an exceptional outdoor recreation opportunity. Expansive fields reach the Snoqualmie River, allowing public access to a 2,000 foot stretch of river. The size of the parcel provides the opportunity to create both passive and active recreation areas. Upland acres offer future soccer and other ball players valuable and much needed playing fields. Areas adjacent to wetlands and river banks offer future trail users valuable habitat viewing areas. When played out against the scenic backdrop of Mount Si and the Cascade foothills, recreation users here will find unique recreation niches for themselves and their families.

LOCATION:

Located between North Bend and Snoqualmie

COUNTY: King

LEG DISTRICT: 05

CONG DIST: 08

SCOPE (ELEMENTS):

Allowable land costs
Incidentals

PERMITS REQUIRED

SITE INFORMATION:

Uplands 274 acres
Wetlands 54 acres

LAND COMMENTS:

USE RESTRICTIONS:

(Blank)

CONTACT: Sara Bary (206) 888-1211	LAST UPDATE: 11/6/96
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WWRP - LP Project Summary

November 12, 1996

TITLE: Meadowbrook Farm	NUMBER: 96-196 A
APPLICANT: North Bend, City of	TYPE: Acquisition
COSTS: IAC \$500,000.00 .09 % Local \$4,134,000.00 .89 % Total \$4,634,000.00 1.00%	EVALUATION SCORE: EVALUATION RANKING:
	IAC MEETING DATE: 05/14/1996

DESCRIPTION:

Located on the roads that link downtown North Bend and Snoqualmie, the 450 acre Meadowbrook Farm provides an exceptional outdoor recreation opportunity. Expansive fields reach the Snoqualmie River, allowing public access to a 2,000 foot stretch of river. The size of the parcel provides the opportunity to create both passive and active recreation areas. Upland acres offer future soccer and other ball players valuable and much needed playing fields. Areas adjacent to wetlands and river banks offer future trail users valuable habitat viewing areas. When played out against the scenic backdrop of Mount Si and the Cascade foothills, recreation users here will find unique recreation niches for themselves and their families.

LOCATION:

Located between North Bend and Snoqualmie

COUNTY: King

LEG DISTRICT: 05

CONG DIST: 08

SCOPE (ELEMENTS):

Allowable land costs
Incidentals

PERMITS REQUIRED

SITE INFORMATION:

Uplands 274 acres
Wetlands 54 acres

LAND COMMENTS:

USE RESTRICTIONS:

(Blank)

CONTACT: Sara Bary (206) 888-1211	LAST UPDATE: 11/6/96
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Milestone Report by Project

November 12, 1996

Project Number: 96-196 A
Project Name: Meadowbrook Farm
Sponsor: North Bend, City of
Project Manager: Phil

Milestone	Target Date	% Completed	Date Reported
Order Appraisal(s)	08/01/96		
Appraisals/Reviews Complete	11/01/96		
Purchase Agreement Signed	02/01/97		
Acquisition Complete	05/01/97		
Documents Recorded	06/01/97		
Final Billing to IAC	07/01/97		



Eligible Reimbursement Activities Report

Project Sponsor North Bend, City of
Project Title Meadowbrook Farm

Project Number 96-196A
IAC Approval Date 5/14/1996

Acquisition Project:

Items

- Applicable taxes
- Appraisal and review
- Closing costs
- Hazardous substances review
- Land
- Noxious weed control costs
- Recording fees
- Relocation costs
- Signing costs
- Title reports/insurance
- Undefined
- Undefined incidentals

Sponsor's Certificate. I hereby certify under penalty of perjury that the items and totals listed herein are proper charges for materials, merchandise or services furnished and/or services furnished to the State of Washington, and that all goods furnished and/or services rendered have been provided without discrimination because of age, sex, marital status, race, creed, color, national origin, handicap, religion or Vietnam or disabled veterans status.

Agency Name
Interagency Committee for Outdoor Recreation P.O. Box 40917 Olympia, WA 98504-0917

BY _____

(TITLE) (DATE)

Sponsor
North Bend, City of P.O. Box 896 North Bend WA 98045

Project Number	96-196 A	Project Name	Meadowbrook Farm	Invoice #	Billing Period			This is a Final Billing Yes [] No []
					From:	To:	Total Previous IAC Approved Amount	
CATEGORIES:	Project Agreement	Expenditures This Billing			Total Expenditures To Date			IAC Adjusted
		Expenditures	Donations	Total	Expenditures	Donations	Total	
ACQUISITION:								
Land & Existing Structure	\$4,634,000.00							
Incidental Costs								
DEVELOPMENT:								
Construction & Project Improvement Cost								
A&E Fees								
NOVA NON-CAPITAL:								
NOVA CAP EQUIP:								
OTHER:								
TOTAL	\$4,634,000.00							

For IAC Use ONLY	
Donation Bank _____	
This invoice approved for payment _____	

Agreement			Expenditures This Billing		
Sponsor:	%	\$4,134,000.00	Sponsor:		
IAC Federal:			IAC Federal:		
IAC: WWRP - LP	%	\$500,000.00	IAC:		
IAC:	%		IAC:		
Agreement Total:	%		Invoice Total:		

Tran Code	Fund	Appn Index	Prog Index	Sub Obj/SubSub Obj	Project #	Amount	Invoice Number
	070	A28	92201	0720 NZ	N690 0720	96-196 A	
				NZ	0720		
				NZ	0720		
				NZ	0720		

Project Manager/Date	Release Final Pmt []	Accounting/Date
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ATTACHMENT C

PROJECT AGREEMENT GENERAL PROVISIONS

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Section 1: Headings, Definitions, and Description of Agreement

(A) Headings used in this Agreement are for reference purposes only and shall not be considered a substantive part of this Agreement.

(B) Definitions

Acquisition - The gaining of rights of public ownership by purchase, negotiation, or other means, of fee or less than fee interests in real property.

Agreement - Means a project agreement, supplemental agreement, intergovernmental agreement, or project contract between IAC and a sponsor.

Applicant - Any agency or organization that meets the qualifying standards, including deadlines, for submission of an application soliciting a grant of funds from IAC.

Application - The forms, including project information forms, approved by the committee for use by applicants in soliciting project funds administered by the IAC.

Committee - The Interagency Committee for Outdoor Recreation created by RCW 43.99.110.

Development - The construction of facilities to enhance outdoor recreation or habitat conservation resources.

Director - The director of the Interagency Committee for Outdoor Recreation

IAC - The Interagency Committee for Outdoor Recreation - The agency, including the director and personnel, created by RCW 43.99.130.

Project - The undertaking that is the subject of this agreement and that is, or may be, funded in whole or in part with funds administered by IAC.

Resume - One of the project information forms approved by the committee for use by applicants in soliciting project funds administered by the IAC.

Sponsor - An applicant who has been awarded a grant of funds, and has an executed project agreement.

(C) Description of Agreement -- The purpose of this Agreement is to provide for the orderly completion of the proposal contained in the Sponsor's application for public funds administered by the IAC. To this end, the agreement which follows provides guidance to accomplish the following principal actions:

- (1) For the Sponsor to undertake and complete the Project in a timely manner, in accordance with the approved Project proposal and applicable laws;
- (2) For the IAC to provide reimbursement to the Sponsor for eligible Project costs. Sponsor reimbursement requests shall be made not more than once monthly and not less than yearly, in accordance with IAC format and policy;
- (3) For the Sponsor to provide acknowledgement of the IAC's funding contribution, through signage, written recognition in printed materials, and/or in dedication ceremonies;
- (4) To provide for the dedication of the area or facility to the described public use and purposes, [including a deed-of-right where applicable], and to permit regular inspection by IAC; and
- (5) To set-forth obligations and remedies.

Section 2: Performance by Project Sponsor

The Project Sponsor shall undertake the Project as described in this Agreement, on the Resume (Attachment A), in the Sponsor's application, and in accordance with the Sponsor's proposed goals and objectives described in the application or documents submitted with the application, all as finally approved by the IAC. All submitted documents are incorporated by this reference as if fully set forth herein.

Timely completion of the Project is important. Failure to do so, as set out in this Agreement, is a material breach of the Agreement.

Section 3: Restriction on Assignment

The Sponsor shall not assign this Agreement, or the performance of any obligations to the IAC under this Agreement, or any claim against the IAC it may have under this Agreement, without the express written consent of the Director.

Section 4: Responsibility for Project

While the IAC undertakes to assist the Sponsor with the Project by providing a grant pursuant to this Agreement, the Project itself remains the sole responsibility of the Sponsor. The IAC undertakes no responsibilities to the Sponsor, or to any third party, other than as is expressly set out in this Agreement. The responsibility for the design, development, construction, implementation, operation and maintenance of the Project, as those phases are applicable to this Project, is solely that of the Sponsor, as is responsibility for any claim or suit of any nature by any third party related in any way to the Project.

The Sponsor shall defend at its own cost any and all claims or suits at law or in equity which may be brought against the Sponsor in connection with the Project. The Sponsor shall not look to the IAC, or to any of the IAC's employees or agents, for any performance, assistance, or any payment or indemnity, including but not limited to cost of defense and/or attorneys' fees, in connection with any claim or lawsuit brought by any third party related in any way to the Project, including but not limited to, its design, development, construction, implementation, operation and/or maintenance.

Section 5: Sponsor Not Employee of the Agency

The Sponsor and the Sponsor's officers, employees and agents shall perform all obligations under this Agreement as an independent contractor and not in any manner as officers or employees or agents of the IAC. Herein all references to the Sponsor shall include its officers, employees and agents. The Sponsor is responsible for withholding and/or paying employment taxes, insurance, or deductions of any kind.

Section 6: Compliance with Applicable Law

The Sponsor will comply with, and IAC is not responsible for determining compliance with, all applicable federal, state, and local laws, regulations, and policies, including, but not limited to: State Environmental Policy Act (under which the Sponsor shall serve as lead agency); Americans with Disabilities Act; Architectural Barriers Act (restoration and improvement projects only); Uniform Relocation Assistance and Real Property Acquisition Policies Act (PL91-646, RCW 8.26.010); Uniform Standards of Professional Appraisal Practices; permits (shoreline, HPA, demolition); land use regulations (comprehensive areas ordinances, GMA); and federal and state safety and health regulations (OSHA/WISHA).

The Sponsor further agrees to indemnify and hold harmless the IAC and its employees and agents from all liability, damages and costs of any nature, including but not limited to costs of suits and attorneys' fees assessed against the IAC, as a result of the failure of the Sponsor to so comply.

Section 7: Conflict of Interest Prohibited

The Sponsor shall not participate in the performance of any duty in whole or in part pursuant to this Agreement to the extent participation is prohibited by Chapter 42.18 RCW, the Executive Conflict of Interest Act, or any other federal, state or local similar conflict act which may apply to the Sponsor. The IAC may, by written notice to the Sponsor, terminate this Agreement if it is found after due notice and examination by the IAC or the Director that there is a violation of the Executive Conflict of Interest Act, Chapter 42.18 RCW; Code of Ethics for Public Officers and Employees, chapter 42.22 RCW; or any similar statute or ordinance involving the Sponsor in the procurement of, or performance under, this Agreement.

The existence of facts upon which the IAC or the Director makes any determination under this section may be an issue under, and may be reviewed as is provided in, the disputes section of this Agreement, upon agreement of the parties.

Section 8: Requirements of the National Park Service

If the Project has been approved by the National Park Service, United States Department of the Interior, for assistance from the Federal Land and Water Conservation Fund, the Project Agreement General Provisions as contained in Section 660.3 Attachment B of the Land and Water Conservation Grant Manual as now existing or hereafter amended are made part of this Agreement, and the Sponsor shall also abide by these Agreement General Provisions. Further, the Sponsor agrees to provide the IAC with reports or documents needed by the IAC to meet the requirements of the Agreement or Section 660.3 Attachment B of the Land and Water Conservation Grant Manual.

Section 9: Acknowledgements and Signs

- (A) The Sponsor shall include language which acknowledges the funding contribution of the IAC to this Project in any release or other publication developed or modified for, or referring to, the Project.
- (B) The Sponsor also shall post signs or other appropriate media at Project entrances and other locations on the Project which acknowledge the IAC's funding contribution as provided by IAC policy, unless waived by the Director.
- (C) The Sponsor shall notify the IAC no later than two weeks prior to a dedication ceremony for this Project. The Sponsor shall verbally acknowledge IAC's funding contribution at all dedication ceremonies.

Section 10: Project Funding

- (A) The IAC shall not be obligated to pay any amount beyond the IAC's dollar amount or the Project percentage as identified in this Agreement (whichever amount is less), unless that additional amount has been approved in advance by the IAC, or by the Director, and incorporated by written amendment into this Agreement.
- (B) No expenditure made, or obligation incurred, by the Sponsor prior to the effective date of this Agreement shall be eligible for grant funds, in whole or in part, unless specifically approved by the IAC or the Director. The dollar amounts identified in this Agreement shall be reduced as necessary to exclude any such expenditure from participation.
- (C) No expenditure made, or obligation incurred, following the termination date shall be eligible, in whole or in part, for grant funds hereunder. In addition to any remedy the IAC may have under this Agreement, the amounts identified in this Agreement shall be reduced to exclude any such expenditure from participation.

Section 11: Project Reimbursements

- (A) Disbursement of grant monies by the IAC to the Sponsor under this Agreement shall be made in accordance with applicable statutes, rules and IAC policies, all conditioned upon proof of compliance with the terms of this Agreement by the Sponsor. The IAC reserves the right to withhold disbursement of the final ten percent (10%) of the total amount of the grant to the Sponsor until the Project has been completed and approved by the Director. A Project is considered "complete" when (1) all approved or required activities (acquisition, development, maintenance, education and enforcement, etc.) are complete, (2) on-site signs are in place (if applicable), (3) a final Project report is submitted to IAC with the Sponsor's final request for reimbursement, (4) the completed Project has been approved by the IAC, and (5) fiscal transactions are complete,
- (B) The obligation of the IAC to pay any amount(s) under this Agreement is expressly conditioned upon strict compliance with the terms of this Agreement by the Sponsor.
- (C) Sponsor must submit at least one invoice voucher a year but should not submit more than one voucher per month. A year end voucher should account for all activity up to and including June 30, the last day of the State's fiscal year. Sponsors should submit the year-end billing to the IAC not later than July 15th of each year. Final reimbursement requests should be submitted to the IAC within ninety (90) days of either completion of the Project or the termination date, whichever comes first.
- (D) Reimbursement for real property acquisition, either fee or less than fee interests, is based on the land values established per IAC guidelines. IAC will not reimburse for partial acquisition costs or any interest payments associated with the acquisition of real property purchased on installment.

Section 12: Non-availability of Funds

If amounts sufficient to fund the grant made under this Agreement are not appropriated by the Washington State Legislature, or if such funds are not allocated by the Washington State Office of Financial Management (OFM) to the IAC for expenditure for this Agreement in any biennial fiscal period, the IAC shall not be obligated to pay any remaining unpaid portion of this grant unless and until the necessary action by the Legislature or OFM occurs. If the IAC participation is suspended under this section for a continuous period of one year, the IAC's obligation to provide any future funding under this Agreement shall terminate. Termination of the Agreement under this section is not subject to appeal by the Sponsor.

Section 13: Records and Reports

The Sponsor agrees to maintain all books, records, documents, receipts, invoices and all other electronic or written records necessary to sufficiently and properly reflect the Sponsor's contracts, contract administration, and payments, including all direct and indirect charges, and expenditures in the development and implementation of the Project.

The Sponsor shall retain all records related to this Agreement and the Project funded hereunder for a period of at least seven (7) years following completion of payment of the grant under this Agreement.

The Sponsor's records related to this Agreement and the Project receiving grant funds hereunder may be inspected by the IAC or its designee, or by designees of the State Auditor's Office or by federal officials authorized by law, for the purposes of determining compliance by the Sponsor with the terms of this Agreement, and to determine the appropriate level of funding to be paid under the subject grant. On reasonable notice, the records shall be made available by the Sponsor together with suitable space for such inspection at any and all times during the Sponsor's normal working day.

The Sponsor shall promptly submit any reports required. The Sponsor shall submit a final report when the Project is completed, prematurely terminated, or financial assistance is terminated. The report shall include a final accounting of all expenditures and a description of the work accomplished. If the Project is not completed, the report shall contain an estimate of the percentage of completion, and shall indicate the degree of usefulness of the completed Project. The report shall account for all expenditures not previously reported and shall include a summary for the entire Project.

Section 14: Authority to Inspect/Right of Entry

The IAC or its designees reserves the right to enter and inspect any lands acquired and/or facilities developed under the terms of this Agreement. On reasonable notice, the lands and facilities within the terms of this Agreement shall be made available for entry and inspection at any time during the Sponsor's normal working day.

Section 15: Provisions Applying to Acquisition Projects

The following provisions shall be in force only if the Project described in this Agreement is for the acquisition of outdoor recreation or habitat conservation land or facilities:

- (A) When Federal Land and Water Conservation Funds are part of this Agreement, the Sponsor agrees to comply with the terms and conditions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 84 Stat. 1894 (1970)--Public Law 91-646, as amended by the Surface Transportation and Uniform Relocation Assistance Act, PL 100-17-1987, and the applicable regulations and procedures of the Department of the Interior implementing that Act.
- (B) When state funds are included in this Project, the Sponsor, if required by law, agrees to comply with the terms and conditions of the Uniform Relocation Assistance and Real Property Acquisition Policy of the State of Washington (Chapter 240, Laws of 1971, 1st Ex. Sess., RCW 8.26.010), and Chapter 468-100 WAC.
- (C) In the event that housing and relocation costs, as required by federal law set out in subsection (A) above and state law set out in subsection (B) above, are involved in the execution of this Project, the Sponsor agrees to provide any housing and relocation assistance that may be necessary, with the understanding that eligible relocation costs may be part of the total Project cost.
- (D) Evidence of Land Value Prior to disbursement of funds by the IAC as provided under this Agreement, the Sponsor agrees to supply evidence to the IAC that the land acquisition cost has been established as per IAC procedural guidelines, which are incorporated by this reference.
- (E) Evidence of Title The Sponsor agrees to show the type of ownership interest for the property that has been acquired. This shall be done before any payment of financial assistance by the IAC.
- (F) Deed of Right to Use Land for Public Purposes The Sponsor agrees to execute an instrument or instruments which contain (1) a legal description of the property acquired under this Agreement, (2) a conveyance to the State of Washington of the right to use the described real property forever for outdoor recreation or habitat conservation purposes, and (3) a promise to comply with applicable statutes, rules, and IAC policies with respect to conversion of use.

Section 16: Provisions Applying to Development Projects

The following provisions shall be in force only if the Project described in this Agreement is for development of outdoor recreation or habitat conservation land or facilities:

- (A) Construction Document Review and Approval The Sponsor agrees to submit one copy of all construction plans and specifications to the IAC for review. Review and approval by the IAC will be for compliance with the terms of this Agreement.
- (B) Contracts for Construction Contracts for construction shall be awarded through a process of competitive bidding if required by state law. Copies of all bids and contracts awarded shall be retained by the Sponsor and available for IAC review. Where bids are substantially in excess of Project estimates, the IAC may, by notice in writing, suspend the Project for determination of appropriate action, which may include termination of the Agreement.
- (C) Construction Contract Change Order Sponsors must get prior written approval for all change orders that reduce or significantly change the scope of the Project, as finally approved by the IAC.

- (D) **Nondiscrimination Clause** Except where a nondiscrimination clause required by the United States Department of the Interior is used, the Sponsor shall insert the following nondiscrimination clause in each contract for construction of this Project:

"During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, age, sex, national origin, marital status, or presence of physical, sensory or mental disabilities. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, creed, color, age, sex, national origin, marital status, or presence of physical, sensory or mental disabilities. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to put in a conspicuous place, available to employees and applicants for employment, notices to be provided by the contracting officer, setting forth the provisions of this nondiscrimination clause.
- (2) The contractor will, in all solicitations or advertisements for employees placed by, or on behalf of, the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, age, sex, national origin, marital status, or presence of physical, sensory, or mental disabilities.
- (3) The contractor will send to each labor union or representative or workers with which the contractor has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the said labor union or workers' representative of the contractor's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) The contractor will include the provisions of the foregoing paragraphs in every subcontract exceeding \$10,000, so that such provisions will be binding upon each such subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the IAC or the Director may direct as a means of enforcing such provisions, including sanctions for noncompliance.

Section 17: Hazardous Substances

- (A) The Sponsor shall inspect, investigate, and conduct an environmental audit of the proposed acquisition site for the presence of hazardous substances and certify that no hazardous substances were found on the site.
- (B) Nothing in this provision alters the Sponsor's duties and liabilities regarding hazardous substances as set forth in Chapter 70.105D RCW.

- (C) "Hazardous substance" means "hazardous substance" as defined in RCW 70.105D.020(5).

"Hazardous Substances" shall be interpreted broadly to include, but not be limited to, any hazardous, toxic or dangerous waste, substance, material, pollutant or contaminant, as defined in or regulated now or in the future by the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. -- 9601 et seq., the Resource Conservation Recovery Act ("RCR"), 42 U.S.C. -- 6901 et seq., the Safe Drinking Water Act, 42 U.S.C. -- 300(f) et seq., the Toxic Substances Control Act, 15 U.S.C. -- 2601 et seq., the Washington State Model Toxics Control Act, RCW Ch. 70.105, any so-called "superfund" or "superlien" law, and any other federal, state, or local law, regulation, ordinance, or order or common law decision, including without limitation, asbestos, polychlorinated biphenyls (PCB's), petroleum and petroleum-based derivatives, and urea formaldehyde.

- (D) The Sponsor will defend, protect and hold harmless IAC and any and all of its employees and/or agents, from and against any and all liability, cost (including but not limited to all costs of defense and attorneys' fees) and any and all loss of any nature from any and all claims or suits resulting from the presence of, or the release or threatened release of, hazardous substances on the property being acquired.

Section 18: Restriction on Conversion of Facility to Other Uses

The Sponsor shall not at any time convert any real property acquired or any facility developed pursuant to this Agreement to uses other than those purposes for which assistance was originally approved, without the approval of the IAC, in compliance with applicable statutes, rules, and IAC policies as identified in this Agreement. It is the intent of the IAC conversion policy that all lands acquired and all lands developed with funding assistance from the IAC remain in the public domain in perpetuity unless otherwise identified in the Agreement.

By IAC policy and federal law a conversion may occur when any of the following situations happen:

- (A) Property interests are conveyed for non-public outdoor recreation or habitat conservation uses;
- (B) Non-outdoor recreation or habitat conservation uses (public or private) are made of the Project area, or portion thereof;
- (C) Non-eligible indoor recreation facilities are developed within the Project area without prior approval of the IAC; or
- (D) (1) Outdoor Recreation Projects - Public use of the property acquired or developed with IAC assistance is terminated.
(2) Habitat Conservation Projects - The property acquired no longer meets or conforms to the intent of the category in which it was funded.
- (E) A major change in scope, per the Agreement, without prior approval of the IAC. When approved by the Committee or the Director, certain elements can be deleted from the terms of the executed Agreement without triggering a conversion or requiring replacement by the Sponsor of similar facilities. The deletions may happen when it is determined that the elements are not needed or are unable to be retained for public use due to one or more of the following conditions:
- Obsolescence
 - Extraordinary Vandalism
 - Acts of Nature
 - They have reached the limits of their expected life span

Section 19: Use and Maintenance of Assisted Projects

The Sponsor shall operate and maintain, or cause to be operated and maintained, any property or facilities which are the subject matter of this Agreement as follows:

- (A) The property or facilities shall be maintained so as to appear attractive and inviting to the public.
- (B) All facilities shall be built and maintained in accordance with applicable federal, state, and local public health standards and building codes.
- (C) The property or facilities shall be kept reasonably safe for public use.
- (D) All IAC assisted improvements shall be kept in reasonable repair throughout their estimated lifetime, so as to prevent undue deterioration that would discourage or prevent public use.
- (E) The facility shall be kept open for public use at reasonable hours and times of the year, according to the type of area or facility.
- (F) The property or facility shall be open to everyone without restriction because of race, creed, color, age, sex, national origin, marital status, presence of physical, sensory or mental disabilities, or residence of the user.
- (G) The Sponsor agrees to operate and maintain the facility in accordance with all applicable federal, state, and local laws and regulations.

Section 20: User Fees and Charges

User, or other types of fees may be charged at the Project site or in connection with the Project described by this Agreement, provided that the fees and charges are commensurate with the prevailing range of public fees and charges within the State for the particular activity involved.

Reasonable differences in admission and other fees may be maintained on the basis of residence. Fees charged to nonresidents may not exceed twice that charged to residents. Where there is no charge for residents but a fee is charged to nonresidents, nonresident fees cannot exceed fees charged for residents at comparable federal, state or local public facilities.

Unless precluded by state law, all revenues from fees and charges which exceed the costs for operation and maintenance of the area from which they were collected must be deposited in a capital reserve fund identifiable within the Sponsor's official annual budget(s), for future acquisition, development, redevelopment or renovation of facilities or property at the assisted Project site. Such funds may not be used for operation and maintenance of other facilities.

Section 21: Provisions Related to Nonprofit Project Sponsors

The Sponsor agrees to maintain the nonprofit or not-for-profit organization status, including registering with the Washington Secretary of State and the United States Internal Revenue Service throughout the Sponsor's obligation to the Project as identified in this Agreement.

Should the Sponsor fail to operate the assisted facility due to insolvency, government order, lack of operating and maintenance funds, or any other reason, the Project will be considered converted and subject to all remedies available to the IAC.

Section 22: Liability Insurance Requirements for Firearm Range Project Sponsors

The Sponsor shall procure an endorsement, or other addition, to liability insurance it may currently carry, or shall procure a new policy of liability insurance, in a total coverage amount the Sponsor deems adequate to ensure it will have resources to pay successful claims of persons who may be killed or injured, or suffer damage to property, while present at the range facility to which this grant is related, or by reason of being in the vicinity of that facility; provided that the coverage shall be at least one million dollars (\$1,000,000) for the death of, or injury to, each person.

- (A) The liability insurance policy, including any endorsement or addition, shall name Washington State and the IAC and its members as additional insureds and shall be in a form approved by the Committee or its Director.
- (B) The policy, endorsement or other addition, or a similar liability insurance policy meeting the requirements of this section, shall be kept in force throughout the Sponsor's obligation to the Project as identified in this Agreement.
- (C) The policy, as modified by any endorsement or other addition, shall provide that the issuing company shall give written notice to the IAC not less than thirty (30) calendar days in advance of any cancellation of the policy by the insurer, and within ten (10) calendar days following any termination of the policy by the Sponsor.
- (D) The requirement of Subsection A through D above shall not apply if the Sponsor is a federal, state, or municipal government which has established a program of self-insurance or a policy of self-insurance with respect to claims arising from its facilities or activities generally, including such facilities as firearms or archery ranges, when the applicant declares and describes that program or policy as a part of its application to the IAC.
- (E) By this requirement, the IAC does not assume any duty to any individual person with respect to death, injury, or damage to property which that person may suffer while present at, or in the vicinity of, the facility to which this grant relates. Any such person, or any other person making claims based upon such death, injury, or damage, must look to the Sponsor, or others, for any and all remedies that may be available by law.

Section 23: No Waiver by IAC/Remedies

Waiver by the IAC of any default or breach shall not be deemed to be a waiver of any other or subsequent default or breach and should not be construed to be a modification of the terms of the Agreement unless stated to be such in writing by the Director, or his or her designee. The IAC does not waive any of its rights or remedies under this Agreement should it: (a) fail to insist on strict performance of any of the terms of this Agreement, or (b) fail to exercise any right based upon a breach of this Agreement.

Section 24: Application Representations -- Misrepresentation or Inaccuracy a Breach

The IAC relies upon the Sponsor's application in making its determinations as to eligibility for, selection for, and scope of, funding grants. Any misrepresentation, error or inaccuracy in any part of the application may be deemed a breach of this Agreement.

Section 25: Indemnity

The Sponsor, its successors or assigns, will protect, save, and hold harmless the IAC, its authorized agents and employees, from all claims, actions, costs, damages, or expenses of any nature whatsoever by reason of the acts or omission of the Sponsor, its assigns, agents, contractors, licensees, invitees, employees, or any person whomsoever, arising out of or in connection with any acts or activities of the Project. The Sponsor further agrees to defend the IAC, its agents or employees in any litigation, including payment of any costs or attorneys' fees, for any claims or actions commenced arising out of or in connection with acts or activities of the Project. This obligation shall not include such claims, costs, damages, or expenses which may be caused by the sole negligence of the IAC or its authorized agents or employees; Provided that if the claims or damages are caused by or result from the concurrent negligence of (a) the IAC, its agents or employees and (b) the Sponsor, its agents or employees, and involves those actions covered by RCW 4.24.115, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Sponsor or its agents or employees.

Section 26: Termination and Other Remedies

The IAC may require strict compliance by the Sponsor with the terms of this Agreement including, but not limited to, the requirements of the applicable statutes, rules and IAC policies which are incorporated into this Agreement, and with the representations of the Sponsor in its application for a grant as finally approved by the IAC.

The IAC, or the Director, may suspend, or may terminate, the IAC's obligation to provide funding to the Sponsor under this Agreement:

- (A) In the event of any breach by the Sponsor of any of the Sponsor's obligations under this Agreement; or
- (B) If the Sponsor fails to make progress satisfactory to the IAC or the Director toward completion of the Project by the completion date set out in this Agreement; or
- (C) If, in the opinion of the IAC or the Director, the Sponsor fails to make progress necessary to complete any other project assisted with grant funds from the IAC within the completion date set out by agreement with the IAC for that project.

In the event this Agreement is terminated by the IAC, or the Director, under this section or any other section after any portion of the grant amount has been paid to the Sponsor under this Agreement, the IAC may require that any amount paid be repaid to the IAC for redeposit into the State Account from which the funds were derived.

The Sponsor understands and agrees that the IAC may enforce this Agreement by the remedy of specific performance, which usually will mean completion of the Project as described in this Agreement. However, the remedy of specific performance shall not be the sole or exclusive remedy available to the IAC. No remedy available to the IAC shall be deemed exclusive. The IAC may elect to exercise any, any combination, or all of the remedies available to it under this Agreement, or under any provision of law, common law, or equity.

Section 27: Disputes

When a bona fide dispute arises between the IAC or its Director and the Sponsor which cannot be resolved between those parties, the parties may agree that the disputes process set out in this section shall be used prior to any action being brought in court. Either party may request a disputes hearing hereunder. The request for a disputes hearing must be in writing and clearly state: (a) the disputed issues; (b) the relative positions of the parties regarding those issues as then understood by the requesting party; (c) the Sponsor's name, address, Project title, and the IAC's Project number. In order for this section to apply to the resolution of any specific dispute or disputes the other party must agree in writing that the procedure under this section shall be used to resolve those specific issues.

The dispute shall be heard by a panel of three persons consisting of one person chosen by the Sponsor, one person chosen by the Director and a third person chosen by the two persons initially appointed. If a third person cannot be agreed upon, the third person shall be chosen by the chairperson of the IAC.

Any hearing under this section shall be informal, with the specific processes to be determined by the disputes panel according to the nature and complexity of the issues involved. The process may be solely based upon written material if the parties so agree. The disputes panel shall be governed by the provisions of this Agreement in deciding the disputes.

The parties shall be bound by the decision of the disputes panel, unless the remedy directed by that panel shall be without the authority of either or both parties to perform, as necessary, or is otherwise unlawful.

Request for a disputes hearing under this section by either party shall be delivered or mailed to the other party. The request shall be delivered or mailed within thirty (30) days of the date the requesting party has received notice of the action or position of the other party which it wishes to dispute. The written agreement to use the process under this section for resolution of those issues shall be delivered or mailed by the receiving party to the requesting party within thirty (30) days of receipt by the receiving party of the request.

All costs associated with the implementation of this process shall be shared equally by the parties.

Section 28: Governing Law/Venue

This Agreement shall be governed by the laws of the state of Washington. In the event of a lawsuit involving this Agreement, venue shall be proper only in the Superior Court in and for Thurston County.

Section 29: Severability

If any provision of this Agreement or any provision of any law, rule or document incorporated by reference into this Agreement, shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which legally can be given effect without the invalid provision. To this end the provisions of this Agreement are declared to be severable.

-- END --

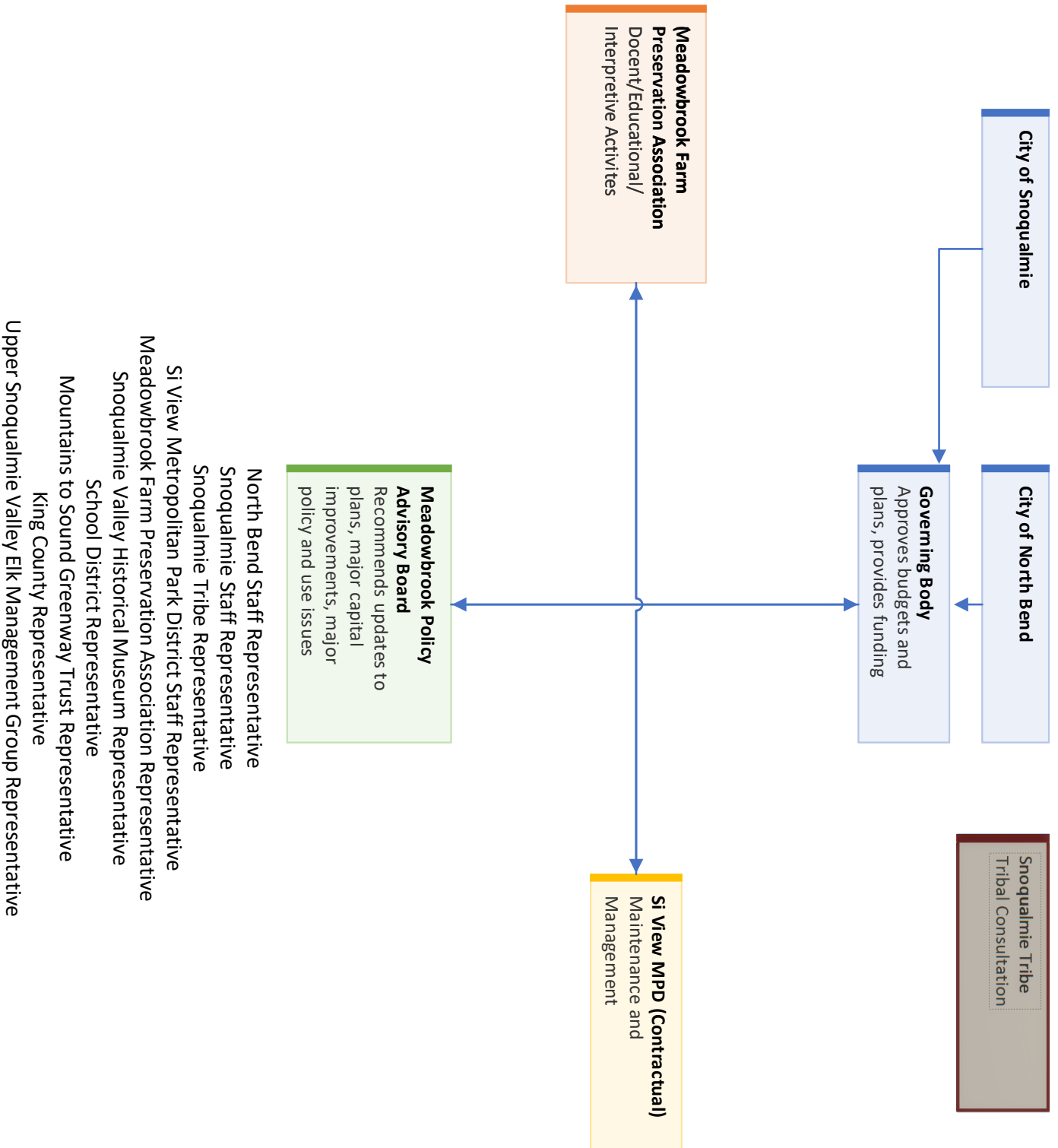


EXHIBIT D