DRAINAGE EASEMENT AND EASEMENT AGREEMENT

WEST TERRACE JOINT VENTURE, a joint venture with offices for the transaction of business at 9810 W. Melville Road, Cheney, WA, 99004, and comprised of joint venturers CKG, Inc., (managing partner), Frank Freeze, Inc. and David Freeze, Inc., said joint venture organized formed pursuant to the "Amended Joint Venture Agreement" dated March 10, 1987 between said joint venturers; SPOKANE COUNTY, a political subdivision of the State of Washington; WEST TERRACE LIMITED PARTNERSHIP, a limited partnership of the state of Washington; and the WEST TERRACE PLACE OWNERS' ASSOCIATION, a non-profit corporation of the state of Washington; covenant and agree as follows:

1. Installation of Drainage Facilities

   a. WEST TERRACE LIMITED PARTNERSHIP, at its expense, shall install certain drainage facilities (hereinafter referred to as the "Main Facilities"), as described and in accordance with the approved plans for Project PW-1475A, West Terrace 1st Addition, on file in the Spokane County Engineer’s Office, in and across the property described on Attachment "A", attached hereto and incorporated by this reference (hereinafter referred to as the "Property"). Upon completion of the Main Facilities and the submittal by WEST TERRACE LIMITED PARTNERSHIP to the County Engineer of as-constructed plans therefore stamped by a licensed professional engineer, and the inspection and approval of the Facilities and as-constructed plans by the County Engineer, the Facilities shall be conveyed to the WEST TERRACE JOINT VENTURE for ownership, operation and maintenance. WEST TERRACE LIMITED PARTNERSHIP shall reimburse SPOKANE COUNTY for all costs, expenses and fees incurred by the County for approving the plans for and inspecting the Main Facilities.

   b. WEST TERRACE PLACE OWNERS’ ASSOCIATION, at its expense, shall install certain drainage facilities (hereinafter referred to as the "Branch Facilities"), as described and in accordance with the approved plans for Project PW-1726, West Terrace Place P.U.D., on file in the Spokane County Engineer’s Office, in and across the property described on Attachment "B", attached hereto and incorporated by this reference. Upon completion of the Branch Facilities and the submittal by WEST TERRACE PLACE OWNERS’ ASSOCIATION to the County Engineer of as-
constructed plans therefore stamped by a licensed professional engineer, and the inspection and approval of the Branch Facilities and as-constructed plans by the County Engineer, the Branch Facilities shall be conveyed to the WEST TERRACE JOINT VENTURE for ownership, operation and maintenance. WEST TERRACE PLACE OWNERS’ ASSOCIATION shall reimburse SPOKANE COUNTY for all costs, expenses and fees incurred by the County for approving the plans for and inspecting the Branch Facilities.

2. Maintenance and Operation of Drainage Facilities

Upon receiving conveyance of the Main or Branch Facilities, the WEST TERRACE JOINT VENTURE shall respectively be responsible for operation, maintenance and repair of such facilities, and for the conveyance and disposition of natural drainage and stormwater runoff draining to and through the Main and Branch Facilities from the plat of West Terrace 1st Addition, PW-1475A, and associated County rights of way, and from the plat and planned unit development of West Terrace Place P.U.D., PW-1726, all according to the approved drainage plans on file in the County Engineer’s Office for Projects #PW-1475A and #PW-1726.

3. Conveyance of Easements

WEST TERRACE JOINT VENTURE, in consideration of mutual benefits, hereby grants and conveys the following easements:

a. To SPOKANE COUNTY, an easement over, under, upon and across the Property, for the purpose of conveying and disposing of natural drainage and stormwater runoff into and through the Main Facilities from County rights of way associated with the final plat of West Terrace 1st Addition, PW-1475A; and an easement for ingress and egress to, over and from the Property and to, over and from the property described on Attachment "B", for the purposes of routine inspection and emergency maintenance or repair of the Main or Branch Facilities.

b. To WEST TERRACE LIMITED PARTNERSHIP, an easement over, under, upon and across the Property, for the purpose of installing the Main Facilities, and for the purpose of conveying and disposing of through the Main Facilities natural drainage and stormwater runoff from the final plat of West Terrace 1st Addition, PW-1475A; and a temporary construction easement ten (10) feet on either side of the Property for installing the Main Facilities.
c. To WEST TERRACE PLACE OWNERS' ASSOCIATION, the following easements:

(1) an easement over, under, upon and across the property described on Attachment "B", for the purpose of installing the Branch Facilities; and

(2) a temporary construction easement ten (10) feet on either side of the property described on Attachment "B", for installing the Branch Facilities; and

(3) an easement over, under, upon and across the property and over, under upon and across the property described on Attachment "B", for the conveyance and disposition through the Main and Branch Facilities of natural drainage and stormwater runoff from the final plat and planned unit development of West Terrace Place P.U.D., PW-1726.

4. Failure to Maintain Facilities

If WEST TERRACE JOINT VENTURE fails to maintain and operate the Main or Branch Facilities in good working order, SPOKANE COUNTY may give a written notice of such failure to WEST TERRACE JOINT VENTURE, and if such failure is not corrected within the period of time indicated in said notice, SPOKANE COUNTY shall have the right to correct said maintenance failure, or compel such failure to be corrected, at the expense of WEST TERRACE JOINT VENTURE.

5. Damage to Facilities

If the Main or Branch Facilities are damaged due to the negligence or intentional act of any party to this agreement, that party shall be responsible for the costs of repairing such damage and for indemnifying the other parties to this agreement against all damages, costs, suits, claims and expenses arising out of or caused by such negligence or intentional act.
6. Indemnification of Spokane County

WEST TERRACE JOINT VENTURE, WEST TERRACE LIMITED PARTNERSHIP, and WEST TERRACE PLACE OWNERS’ ASSOCIATION hereby agree to indemnify SPOKANE COUNTY for all damages, including inverse condemnation, to any property, real or personal, caused by or resulting from the deficient construction of the Main or Branch Facilities, or the failure of WEST TERRACE JOINT VENTURE to properly maintain and operate said facilities.

7. Notice to Purchasers

WEST TERRACE JOINT VENTURE, WEST TERRACE LIMITED PARTNERSHIP, and WEST TERRACE PLACE OWNERS’ ASSOCIATION shall respectively notify their successors of the provisions of this agreement and easement and their respective responsibilities thereunder.

8. Covenant Running with the Land

The easements granted herein shall respectively run with the Property and with the property described in Attachment "B". The provisions of this agreement shall be binding upon and inure to the benefit of the successors in interest of the parties to this agreement.

9. Modification

This agreement may not be modified except through a prior written amendment executed with the same formalities as the present agreement.

10. Venue

This agreement shall be construed as having been made and delivered in the state of Washington, and the laws of the state of Washington shall be applicable to its construction and enforcement. Any action at law, suit in equity or judicial proceeding for the enforcement of this agreement or any provision hereto shall be instituted only in court of competent jurisdiction within Spokane County, Washington.
DATED this 24th day of July, 1994

BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON

By

Steven Hasson
Chairman

ATTEST: WILLIAM E. DONAHUE
Clerk of the Board

By

Rosanne Montague
Deputy Clerk
DATED this 10th day of July, 1994

WEST TERRACE JOINT VENTURE:

CKG, Inc., Joint Venturer and Managing Partner
Frank Freeze, Inc., Joint Venturer
David Freeze, Inc., Joint Venturer

By ____________________________

Charles R. Klar, President
of CKG, Inc., through Daniel B.
Clark, his attorney-in-fact

STATE OF WASHINGTON )
) ss
County of Spokane )

I certify that I know or have satisfactory evidence that
Daniel B. Clark is the person who appeared before me, and that said
person acknowledged that he signed this instrument, on oath stated
that he was authorized to execute this instrument, and acknowledged
it as the attorney-in-fact for Charles R. Klar, the President of
CKG, Inc., a Washington corporation, and the manager of West
Terrace Joint Venture with authority over the business and property
of said joint venture, to be the free and voluntary act of Charles
R. Klar, of CKG, Inc., and of the West Terrace Joint Venture and
its respective joint venturers, for the uses and purposes therein
mentioned in the instrument

Dated this 10th day of July, 1994.

________________________

Therese Kerns

NOTARY PUBLIC in and for the State
of Washington, residing at Spokane.
My appointment expires 7/23/97.

Unofficial Document
DATED this 8th day of July, 1994

WEST TERRACE LIMITED PARTNERSHIP:

By

Gary Alexander
Managing Partner

DATED this 8th day of July, 1994

WEST TERRACE PLACE
OWNERS' ASSOCIATION:

By

Gary Alexander
President

STATE OF WASHINGTON )
) ss
County of Spokane )

I certify that I know or have satisfactory evidence that Gary Alexander is the person who appeared before me, and that said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute this instrument, and acknowledged it as the President of the West Terrace Place Owners' Association, a Washington non-profit corporation, and as the Managing Partner of the West Terrace Limited Partnership, a Washington limited partnership, to be the free and voluntary act of said corporation and said limited partnership, for the uses and purposes therein mentioned in the instrument.

Dated this 8th day of July, 1994.

Theresa Kerns
NOTARY PUBLIC in and for the State
of Washington, residing at Spokane, WA.
My appointment expires 7/23/97.
That part of the SE1/4 Section 7, Township 24 North, Range 42 East, W.M., Spokane County, Washington described as follows:

Commencing at the northwest corner of Lot 10, Block 4, West Terrace Addition according to plat recorded in Book 18, Page 10; thence S89°49'51"E, 300.00 feet, to the northeast corner of Lot 10, Block 5, of said plat; thence N01°23'13"E, 300.00 feet; thence N23°36'52"W, 103.53 feet; thence N01°26'27"W, 969.25 feet; thence N80°20'10"W, 177.39 feet to the Point of Beginning; thence N80°20'10"W, 80.00 feet; thence N08°54'49"E, 30.85 feet; thence N78°02'27"W, 136.19 feet; thence S18°40'27"W, 5.03 feet; thence N78°02'27"W, 276.78 feet; thence N51°15'47"W, 380.52 feet; thence S38°44'13"W, 22.80 feet; thence N54°09'44"W, 111.02 feet; thence S45°00'00"W, 77.78 feet; thence S23°37'48"E, 87.32 feet; thence S47°29'22"W, 162.79 feet; thence S83°28'49"W, 176.14 feet; thence N31°30'15"W, 181.80 feet; thence N11°13'52"E, 279.22 feet; thence N70°43'40"E, 276.09 feet; thence N34°08'52"E, 187.22 feet; thence N60°15'18"E, 80.62 feet; thence S87°14'17"E, 155.08 feet; thence S12°10'17"E, 260.86 feet; thence S38°44'13"W, 220.85 feet; thence S51°15'47"E, 351.88 feet; thence N78°02'27"E, 273.17 feet; thence S18°40'29"W, 15.10 feet; thence S78°02'27"E, 144.52 feet; thence S82°02'53"E, 49.83 feet; thence S08°42'19"W, 41.75 feet to the Point of Beginning.
April 18, 1994

LEGAL DESCRIPTION

Drainage Easement

PUDW-9-93
West Terrace Place
Planned Unit Development

A strip of land, 20 feet wide, over that portion of the SE¼ of Section 7, Township 24 North, Range 42 East, W.M., Spokane County, Washington, described as follows:

Commencing at the northeast corner of Lot 10, Block 5 of West Terrace Addition, according to the plat recorded in Book 18 of Plats at Page 10; thence N89°49'51"W, 300.00 feet to the northwest corner of Lot 10, Block 4 of said plat of West Terrace Addition; thence N00°41'52"E, 201.10 feet; thence N48°03'59"W, 79.31 feet; thence N74°43'42"W, 303.73 feet; thence N43°27'07"W, 281.73 feet; thence N01°39'17"W, 450.19 feet; thence N20°20'29"E, 218.63 feet; thence N68°18'04"E, 87.92 feet to the POINT OF BEGINNING; thence continuing N68°18'04"E, 31.51 feet; thence N28°54'30"E, 305.63 feet; thence N78°02'27"W, 20.91 feet; thence S28°54'30"W, 323.89 feet to the POINT OF BEGINNING.